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Australia

Keating Invites Clinton To Visit Australia

*BK2011064393 Melbourne Radio Australia in English
0500 GMT 20 Nov 93*

[Text] Ministers of the Asia-Pacific Economic Cooperation [APEC] forum have issued a strong call to the European Community to match its efforts to complete the Uruguay Round of world trade talks. The challenge was made in a statement issued at the end of their meeting. At the same time, Australia has expressed confidence APEC leaders will hold another summit coinciding with the next APEC ministerial meeting in Indonesia next year. Graeme Dobell reports from Seattle that Australia has also invited U.S. President Bill Clinton to visit Australia next year.

[Begin recording] [Dobell] The annual APEC ministerial meeting is scheduled to be held in Jakarta at the end of next year and Prime Minister Paul Keating says he thinks that the suggestion for a summit at the same time will be accepted.

[Keating] I think in the event that there is a consensus, I'd be pretty surprised if President Suharto would not issue an invitation, but there would need to be a consensus.

[Dobell] Mr. Keating also invited U.S. President Bill Clinton to visit Australia if he comes to an APEC leaders' meeting in Indonesia. Mr. Clinton said in reply that he would like to come to Australia. [end recording]

Keating Says APEC Has 'Defining Role' in Region

*BK2111071093 Melbourne Radio Australia in English
0600 GMT 21 Nov 93*

[Text] President Bill Clinton says the Asia-Pacific region will play an increasingly vital role in the world. He was speaking after an historic summit of leaders from the Asia-Pacific Economic Cooperation [APEC] forum, who pledged to do everything possible to conclude stalled world trade talks by next month's deadline. The leaders issued a statement also reaffirming unity in their commitment to create a stable and prosperous future for the people of the region.

Australian Prime Minister Paul Keating said the decision by APEC leaders to meet again in Jakarta next year showed that APEC had a defining role for the region's economy. He also said the bilateral talks among leaders who attended the Seattle meeting had been highly significant.

[Begin Keating recording in progress] ...most countries will still always have interests and often they won't compromise their interests, but they'll have interests but I think the personal relations are terribly important; that's been shown over and over again in foreign relations and it's just as true here. So I do think this is a very historic body and I don't think that the president's words about it are sort of basically superfluous hyperbole. I think it does truly reflect the historic nature of the gathering. [end recording]

Prime Minister Meets With PRC's Jiang Zemin

*BK211115993 Melbourne Radio Australia in English
1100 GMT 21 Nov 93*

[Text] Chinese President Jiang Zemin said his visit to the summit [APEC] has resulted in a good new beginning in relations with the United States. Mr. Jiang, who also met privately with the president before the summit, said differences between the two countries should be resolved through dialogue on basis of equality and respect, not one side trying to impose its will on the other.

Australian Prime Minister Paul Keating also met Mr. Jiang and said their talks concentrated on trade and economic issues rather than human rights. Mr. Keating said human rights was only one part of Australia's broad relationship with China.

The APEC [Asia-Pacific Economic Cooperation] leaders accepted an offer from Indonesian President Suharto to host the second summit next year. Indonesia had already been scheduled to host a meeting of APEC foreign and trade ministers.

Keating: APEC Has 'Vital Future' for Region

*BK2211121193 Melbourne Radio Australia in English
0630 GMT 22 Nov 93*

[From the "International Report" program]

[Text] Australia's prime minister, Paul Keating, says the Asia Pacific Economic Cooperation [APEC] Forum has a vital future for the region. He says APEC is on the way to being as important as the world's main industrial summit, the G-7. Mr. Keating says the decision taken by leaders of the Seattle summit to stage another APEC meeting in Jakarta next year should remove the smugness of the European Community. The prime minister says it also means that America is aligning itself with Asia. In Seattle, Mr. Keating is speaking to Graeme Dobell.

[Begin recording] [Keating] I think it's not going to be an EC type of structure. It's not going to be a Brussels type supranational organization that makes decisions for national governments. It's not going to be that. There's going to be no Treaty of Rome equivalent or Maastricht Treaty or endorsement of those treaties by nation states. It will be a much lesser cooperative body, but I think now that's effective because these economies have already proved they can grow and grow quite spectacularly and given a bit of help and direction can be much better. But APEC provides such enormous opportunities to deal with the interests of the United States and Japan and China, and there are so many other important economies like Korea, Indonesia, etc, and there's (hope). I mean this is the first time Australia has really sat at a very big table in the same ride. I mean, you know, years ago the question was could we get into the G team or maybe they even perhaps in our dreams that G-7 could and otherwise, you know, would we be let into something. [sentence as heard] I mean what's happened here is Australian diplomacy has,

with the help of others, fashioned something else, something new, which is, you know, I think will become a major body and on which it is a full constituent member. [sentence as heard]

[Dobell] Does that picture of President Clinton and the Asian leaders, that picture, send a real jolt to Europe? Does it say to Europe that if there's not a result in the Uruguay Round that it might be a trade bloc (?war) but that it will be the Americans joining Asia to face Europe?

[Keating] Well, no. I don't necessarily think that. It won't be a trade bloc war, whatever happens because I think the advent of APEC means that we won't see the Americas bloc up with the NAFTA [North American Free Trade Agreement] and we won't see a yen bloc in Asia. But rather we will see sensibly the melding of interests of the North and South Asia and the western Pacific. I mean, see fit what APEC has accomplished. It's pulled together the policy interests of North and South Asia and the west and the United States, North America, Canada, and Mexico. So, it will behave as a trading area. This will be noticed in Europe because it means that...

[Dobell, interrupting] A bit of scare fear?

[Keating] Well, no, well it's not designed for that, but I mean it will be noticed in Europe and some of that sort of smugness that it has about its importance. [sentence as heard] It means that the U.S., which already has a preponderance of Australia and the Pacific, 300 billion [currency not specified] in Australia and the Pacific and 200 billion in the Atlantic. Well, obviously the 300 billion is going to grow faster in the Pacific than the 200 in the Atlantic. And these other economies are making markets themselves. See, APEC is very integrated. It's more integrated than the EC now. Sixty-six percent of its exports are traded within the same member states, where the equivalent figure in the EC is 61 percent, and the equivalent figure of NAFTA is 42. So APEC's already... [pauses] there is already a tremendous trade between APEC member states, and therefore, the dependency on Europe is going to be less and less as time goes by. Therefore, there's a message in this for the Europeans you know, don't be too cocky about their importance.

[Dobell] Is APEC on its way to being as equally important, say, as the G-7 or be more able to move policy along than the G-7 group has been able to do over the last years?

[Keating] APEC will be far more focused because it will have, all the time, the common interests which the G-7 has never had. You got the United States and Japan, you got Germany, Italy, Britain, Canada. Its such a disparate clique. The G-7 was never effectively, could never effectively be the kind of body that APEC is capable of being. [end recording]

Trade Minister Cook Assesses APEC, NAFTA

BK211120893 Melbourne Radio Australia in English 1100 GMT 21 Nov 93

[Text] Australian Trade Minister Peter Cook has said APEC [Asia-Pacific Economic Cooperation] could take on a

greater role if the Uruguay Round of GATT world trade talks fail next month. Speaking in Seattle, Senator Cook said all eyes were on the GATT negotiations now that the American Congress had approved the NAFTA [North America Free Trade Agreement] free trade agreement between the United States, Canada, and Mexico. But the minister said Australia would only marginally benefit from NAFTA. He said the United States should recognize the development of the APEC structure, under which many economies would be locked together, was far more beneficial than the existence of the solely American trade structure.

Indonesia

Alatas: APEC Platform for North-South Talks

BK1911061293 Jakarta Radio Republik Indonesia Network in Indonesian 0500 GMT 19 Nov 93

[Text] Foreign Minister Ali Alatas has said that APEC could become a model platform for North-South dialogue because it provides access for developed and developing nations to hold consultations and cooperation. Speaking to reporters in Seattle, the United States, Minister Ali Alatas said APEC's existence could pave the way for constructive dialogues between developed and developing nations, particularly in economic issues which are of mutual interest.

Suharto Reportedly Rules Out Free Trade Area

AU2311095093 Paris AFP in English 2224 GMT 23 Nov 93

[Text] Vienna, Nov 22 (AFP)—Indonesian President Suharto has ruled out creating a free trade area in the Asia-Pacific region, his Austrian host President Thomas Klestil told journalists on Monday. Klestil said after meeting the Indonesian leader that Suharto did not favour a free trade area because of the wide economic disparities between countries of the Asia-Pacific region.

Suharto visited Austria briefly after taking part in the Asia Pacific Economic Cooperation summit on Blake Island off Seattle on the west coast of the United States.

Klestil said the Indonesian leader did not wish to make any statement to the press. He said Suharto was "proud" of his country's economic progress and would welcome investments in Indonesia's small and medium-sized firms. Klestil said he and Suharto had discussed prospects for stepping up Austrian investments in Indonesia and for expanding their economic relations in general.

Suharto will preside over next year's APEC summit.

Japan

PRC's Qian Qichen Meets With Hata 18 Nov

OW1911013693 Tokyo KYODO in English 0110 GMT 19 Nov 93

[Text] Seattle, Nov. 18 KYODO—Japanese Foreign Minister Tsutomu Hata briefly met his Chinese counterpart

Qian Qichen at a Seattle hotel on Thursday [18 November] during the interval of a ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) forum, Japanese Government officials said.

Qian congratulated Hata on Thursday's passage of the government-proposed political reform package at the House of Representatives and requested that Hata pay a visit to China in the near future, the officials said.

Hata told Qian he will adjust his schedule to visit China early next year, possibly in January.

Hata also met separately with U.S. Secretary of State Warren Christopher, Australian Foreign Minister Gareth Evans and South Korean Foreign Minister Han Sung-chu, the officials said.

He expressed congratulations to Christopher over the approval by the U.S. House of Representatives of the North American Free Trade Agreement [NAFTA].

Hata Proposes Principles for APEC Development

*OW1811234093 Tokyo KYODO in English 2304 GMT
18 Nov 93*

[By Keiko Tatsuta]

[Text] Seattle, Nov. 18 KYODO—Japan proposed five principles aimed at further developing the Asia-Pacific Economic Cooperation (APEC) forum at the group's ministerial meeting Thursday [18 November], focusing on "diversity" within the region.

Tsutomu Hata, Japan's deputy prime minister and foreign minister, made the proposals in a speech delivered at the three-day, fifth annual meeting, which started Wednesday in Seattle.

Hata said Japan will actively contribute to APEC's further development in accordance with the five principles.

Respecting diversity within the Asia-Pacific region as a first principle, Hata said APEC members "should give due consideration to the diverse stages of development among the region's economies."

Along this line, cooperation should be promoted incrementally and "on a consensus basis," Hata said.

Second, APEC members should deepen mutual understanding, form common views and pursue common goals "through consultation, not negotiation," Hata said.

Third, he said APEC should ensure its compatibility with the General Agreement on Tariffs and Trade (GATT) and should complement and strengthen GATT rather than substitute it.

APEC should also pursue "open regional cooperation," not "exclusive regionalism," Hata said. All the fruits of cooperation within APEC member economies should be extended to nonmembers on a most-favored-nation basis, Hata said.

Finally, APEC should make efforts to enhance understanding with nonmember countries and other international organizations.

Hata said all of the economies in the region bear the responsibility "to maintain and strengthen the free trade system and to prevent any momentum toward protectionism."

Meanwhile, Japan's trade minister stressed the need to promote openness and competitiveness in the Pacific region in a separate speech at the meeting.

International Trade and Industry Minister Hiroshi Kumagai said, "if the Asia-Pacific region is to continue its development as a world growth center, it is vital that we promote greater openness and competitiveness as two interlocking cogs moving in unison."

Kumagai, speaking in a speech before APEC ministers, said he will focus his efforts on further opening the Japanese market over the medium- and long-term, and maintaining his nation's economy as a reliable force to sustain the economy of the whole region.

Ministers on APEC Future Operations Proposal

*OW1911014093 Tokyo KYODO in English 0041 GMT
19 Nov 93*

[By Keiko Tatsuta]

[Text] Seattle, Nov. 18 KYODO—Ministers of the Asia-Pacific Economic Cooperation (APEC) forum were advised Thursday [18 November] morning to create "a true Asia-Pacific economic community" at the annual ministerial meeting, Japanese officials said.

An eminent persons group (EPG), headed by American Economist C. Fred Bergsten, made the proposal as part of its four-point report at its meeting, which started Wednesday.

The forum, set up last year to study a long-term perspective for APEC, suggested that APEC ministers strive for a community which promotes free trade through increased global negotiations.

In this regard, however, Indonesia expressed concern about institutionalizing APEC, the officials said.

They quoted Indonesian Foreign Minister Ali Alatas as saying that although the concept is right in the long-term, it is too far and the time has not yet matured.

Chinese Foreign Minister Qian Qichen also took a cautious view, saying that deviating from APEC's original purposes could damage the consultative forum.

The group's "initial" report, as put by Bergsten, also proposed to immediately launch comprehensive programs to promote trade in the region, covering investment, dispute settlement, macroeconomic policies, competition strategy, environmental protection and standardization, among others.

In addition, the report recommended promoting technological cooperation in the region to improve human resources, especially in developing nations, and infrastructure in such areas as telecommunication and energy.

The EPG also suggested a "modest" strengthening of APEC's decision-making and secretariat functions, and cautioned against trying to become a huge bureaucratic organization such as the European Community, the officials said.

The proposed "community" should be open and outward-looking, with an Asia-Pacific style of diversity focusing on business, the officials quoted Bergsten as saying.

The EPG also proposed holding negotiations following the Uruguay Round of global trade talks, currently held under the General Agreement on Tariffs and Trade. The talks should include the environment, competition policies and investment issues, they said.

They also quoted Bergsten as saying that now is a good opportunity to create a new global institution around the Asia-Pacific region which has become a world growth center.

APEC ministers will discuss the report and proposals in their afternoon session, the officials said.

Clinton Urges 'Shared Prosperity' With Asia

OW1911222993 Tokyo KYODO in English 2211 GMT
19 Nov 93

[By Antonio Kamiya]

[Text] Seattle, Nov. 19 KYODO—President Bill Clinton on Friday [19 November] cast the future of U.S. economic prosperity with Asia, urging Americans to seize market opportunities in the booming Asian economy.

Clinton spelled out the vision of "shared prosperity" with the Pacific rim at the outset of two days of talks with leaders from the region.

"We must reach out to the economies of the Pacific. We must work with them to build a better future for our people and for theirs," Clinton said in a speech before setting out for bilateral talks with Japanese Prime Minister Morihiro Hosokawa, Chinese President Jiang Zemin and other Asian-Pacific leaders.

On Saturday, Clinton will host an informal summit for the leaders of the Asia-Pacific Economic Cooperation (APEC) forum which he said will focus on "getting acquainted and sharing perspectives" on the long-term economic prospects of the region.

APEC membership comprises the United States, Canada, Japan, Australia, New Zealand, South Korea, China, Taiwan, Hong Kong, Thailand, Indonesia, Malaysia, the Philippines, Singapore, and Brunei, as well as Mexico and Papua New Guinea, the two countries admitted to the group at the current APEC conference in Seattle.

These 17 economies—with a combined population of 2 billion—provide markets for 40 percent of global trade.

Clinton urged American businesses to tap into huge and growing markets across the Pacific, particularly in the newly industrialized nations where he said the economies are growing at twice the pace of developed nations.

"Today exports are the lifeblood of our economic growth," he said.

While urging American businesses to sharpen their export instincts, Clinton promised that his government will press the Asian nations to open up their markets to U.S. goods.

Clinton pointed out that the U.S. runs a trade deficit with almost every Asian APEC member-nation, including massive gaps with Japan and China—at 49 billion dollars and 18 billion dollars last year—which accounted for more than two-thirds of the total U.S. trade deficit.

"We must continue to press the nations (in Asia) to be more open to our products, as we are to them," he said.

Clinton said the U.S. has made a "good start" with the framework trade talks with Japan for better access to the Japanese market and will press China to eliminate its trade barriers.

He said the U.S. intends to maintain its security presence in Asia but warned that Asian countries must reciprocate with open markets.

"We do not intend to bear the cost of our military presence in Asia and the burdens of regional leadership only to be shut out of the benefits of growth that stability brings," he said.

Outlining the vision of a "Pacific community," Clinton said he hopes the region will become "a source of jobs and opportunity" for Americans.

He said he also sees the diverse economies among Pacific rim countries as a source of "dynamism and enrichment" with greater individual freedom and human rights.

"Imagine this region in which newly emerging economic freedoms are matched by greater individual freedoms, political freedoms and human rights," Clinton said.

Hosokawa, Clinton Hold Meeting 19 Nov

OW2011091493 Tokyo KYODO in English 0843 GMT
20 Nov 93

[By Antonio Kamiya]

[Text] Seattle, Nov. 19 KYODO—U.S. President Bill Clinton gave Prime Minister Morihiro Hosokawa a vote of confidence Friday [19 November] to boost the Japan's economy and open up its markets to foreign goods. "I believe that Prime Minister Hosokawa will move seriously on the two great economic issues that we share in common," Clinton said after a meeting with the Japanese leader.

Hosokawa arrived in Seattle earlier in the day to attend an informal summit Clinton is hosting for leaders of the Asia-Pacific Economic Cooperation (APEC) forum.

Clinton told reporters he is "very impressed" with the changes Hosokawa has brought to Japan since taking office in August and said he appreciated the steps he has taken in opening Japan's construction market. "That is an indication that we'll be able to make more progress in the months ahead" on market-opening talks with Japan, Clinton said.

Japanese officials said the two leaders agreed to hold their next summit February 11 in the United States, possibly in Washington, to assess progress on the framework trade accord. The accord, concluded in July, commits the Japanese Government to improve market access on a wide range of high-tech products and financial and insurance services.

In addition, Japan has also agreed to slash its massive global trade surplus, which swelled past 130 billion dollars last year.

The meeting Friday, which lasted close to 90 minutes, was the second between the two leaders in less than two months. They last met in New York on September 27.

"The atmosphere of the meeting was very good. There was a sense of mutual trust and intimacy," a senior Japanese Government official said.

Japanese officials said the two leaders vowed to make "their utmost efforts" to wrap up the Uruguay Round of global trade talks before the make-or-break December 15 deadline.

Hosokawa, however, made no commitment to open up the Japanese rice market, saying it is a "very difficult issue." Japanese and U.S. officials, however, gave conflicting reports on whether Clinton pressed Hosokawa to open up Japan's rice market.

In a briefing to reporters on the meeting, U.S. Secretary of State Warren Christopher said Clinton "emphasized the need to make progress" on the issue of the Japanese rice market. Japan bans rice imports, and the market-access issue for farm products is a major roadblock to get an agreement of the Uruguay Round of global trade talks underway in Geneva.

In a separate briefing to reporters, Japanese officials acknowledged that the rice issue was taken up during the meeting but denied Clinton made any specific demand.

Hosokawa gave Clinton a blueprint of tax reform his government is undertaking, and promised that he "take appropriate measures" to jump-start the sluggish economy, Japanese officials said. The remarks indicated that Hosokawa is determined to introduce a major income tax cut, which senior U.S. officials have repeatedly said is necessary to bring the Japanese economy back on its feet.

Clinton, who hopes that a growing Japanese economy would pull in more U.S. exports, underscored the point Friday, telling the Japanese leader "growth is important," Japanese officials said.

The two leaders also addressed the issue of suspected nuclear weapons development in North Korea, agreeing to press Pyongyang to abide by the Nuclear Nonproliferation Treaty. The two sides agreed to "exhaust all diplomatic efforts" before considering other options to deal with the North Korean nuclear program, Japanese officials said.

The United States has held a series of behind-the-scenes negotiations with North Korea on the nuclear row, and Clinton acknowledged that there has been little progress so far, Japanese officials said.

Clinton 'Encouraged' by Trade Talks

OW1911234593 Tokyo KYODO in English 2256 GMT
19 Nov 93

[by Antonio Kamiya]

[Text] Seattle, Nov. 19 KYODO—U.S. President Bill Clinton met with Japanese Prime Minister Morihiro Hosokawa on Friday [19 November] and said he is encouraged by "real progress" in trade disputes between the two countries. Clinton told reporters after his one-to-one meeting with Hosokawa that he felt "we will be able to make real progress" in bilateral framework trade talks.

Hosokawa met Clinton upon arrival in Seattle earlier in the day to attend an informal summit the U.S. President is hosting for leaders of the Asia-Pacific Economic Cooperation (APEC) forum.

Japanese officials said the two leaders agreed to hold their next summit meeting in February in Washington to assess progress on the economic framework accord concluded in July. The trade pact commits the Japanese Government to improve access to the Japanese market for a wide range of high-tech products and financial and insurance services.

In addition, Japan has also agreed to slash its massive global trade surplus, which swelled past 130 billion dollars last year.

"We have spent a remarkable few months with Japan," Clinton said of the complex trade talks between the two countries. He also said he is "very impressed with the changes" Hosokawa has brought about in Japan since he took office in August.

The meeting on Friday, which lasted close to one and a half hours, was the second between the two leaders in less than two months. They last met in New York on September 27.

"The atmosphere of the meeting was very good. There was a sense of mutual trust and intimacy," a senior Japanese Government official said.

Japanese officials said the two leaders vowed to do "their utmost" to wrap up the Uruguay Round of global trade talks before the December 15 deadline. Hosokawa, however, made no commitment to open up the Japanese rice market, saying rice, the Japanese staple food, is a "very serious issue" in Japan.

Japanese officials said Hosokawa gave Clinton a blueprint of the tax reform his government is undertaking in Japan.

and promised he would "take appropriate measures" to jumpstart the sluggish Japanese economy.

A fresh Japanese pump-priming package is expected to figure prominently in the next Japan-U.S. summit in Washington on February 11.

The remarks indicated that Hosokawa is determined to introduce a major income tax cut, which senior U.S. officials have repeatedly said is necessary to bring the Japanese economy back on its feet. Clinton, who hopes that a growing Japanese economy would pull in more U.S. exports, underscored the point on Friday [19 November], telling the Japanese leader "growth is important," Japanese officials said.

The two leaders also addressed the issue of North Korea's suspected nuclear weapons development, with both sides agreeing to press Pyongyang to abide by the Nonproliferation Treaty. They agreed to "exhaust all diplomatic efforts" before considering other options to deal with the North Korean nuclear program, Japanese officials said.

The United States has held a series of behind-the-scenes negotiations with North Korea on the nuclear row, and Clinton acknowledged that there has been little progress so far, Japanese officials said.

Gun Control, Victim Discussed

*OW2011023993 Tokyo KYODO in English 0202 GMT
20 Nov 93*

[Text] Seattle, Nov. 19 KYODO—Prime Minister Morihiro Hosokawa on Friday [19 November] thanked U.S. President Bill Clinton for meeting the parents of a 16-year-old Japanese exchange student who was shot dead in Louisiana last year. Japanese officials said Clinton replied that his Wednesday meeting with Masaichi Hattori, 46, and his wife Mieko, 45, was "an honor."

The president acknowledged that stricter gun control was "a difficult problem" in the United States, the Japanese officials said after the Japan-U.S. Summit.

Clinton met Hosokawa ahead of the weekend summit of leaders of the 17-member Asia-Pacific Economic Cooperation (APEC) forum.

The Hattoris are currently touring the United States to campaign for a ban on guns in American homes. In their meeting with Clinton they delivered a petition bearing the signatures of 1.7 million people in Japan calling for gun control.

The Hattoris launched the campaign after their son Yoshihiro, 16, was shot dead in October last year in Baton Rouge, Louisiana, when he and a friend went to the wrong house while looking for a Halloween party.

Rodney Peairs, the man who shot Yoshihiro mistaking him for an intruder, maintained he was acting in self-defense and was later acquitted of manslaughter.

Kumagai, U.S. Secretary Brown Discuss Trade

*OW2011060293 Tokyo KYODO in English 0523 GMT
20 Nov 93*

[Text] Seattle, Nov. 19 KYODO—U.S. Government officials on Friday [19 November] reiterated that Washington seeks measurable progress, not managed trade, in bilateral trade framework talks with Japan, Japanese officials said. U.S. Commerce Secretary Ron Brown and Assistant to the President for Economic Affairs Robert Rubin delivered the message during a meeting with Japan's International Trade and Industry Minister Hiroshi Kumagai, the officials said.

Kumagai stressed that two-way negotiations are essential and managed trade must be avoided, they said. They quoted Brown as saying that progress is important and how to measure headway is significant.

Rubin also told Kumagai that tangible results are vital, the officials said.

Referring to recent reports that Japan's trade surplus bounced back, Brown expressed concern over what he called a reverse direction, they said.

Kumagai claimed the increase in trade surplus resulted from the yen's appreciation on foreign exchange dealings, they said.

Meanwhile, Kumagai told Canadian International Trade Minister Roy MacLaren that Japan-U.S. framework talks should not be discriminatory to other nations, and Japan will not seek any target leading to managed trade, the officials said. MacLaren was relieved to hear this, saying Canada has feared that it might be left outside Japan-U.S. discussions, they said.

Kumagai had meetings with his U.S. and Canadian counterparts in succession after the three-day Asia-Pacific Economic Cooperation (APEC) forum's ministerial meeting, which ended Friday morning.

Hosokawa, Thailand's Chuan Hold Talks

*OW2011030693 Tokyo KYODO in English 0233 GMT
20 Nov 93*

[by Keiko Tatsuta]

[Text] Seattle, Nov. 19 KYODO—Thailand's prime minister expressed hope Friday [19 November] that Japan will buy more rice from his country, Japanese officials said.

Thai Prime Minister Chuan Likphai told Japan's Prime Minister Morihiro Hosokawa that while he appreciates Japan's purchases of Thai rice, he expects Tokyo to import more rice from his country, the officials said.

Hosokawa called on Chuan for talks before leaders of the Asia-Pacific Economic Cooperation (APEC) forum gather later in the day for dinner hosted by U.S. President Bill Clinton, they said.

APEC leaders will have a first-ever informal summit Saturday on a small island off Seattle.

Asked about a U.S. move toward institutionalizing APEC, Hosokawa told Chuan the forum should not aim to be a European Community-like organization, the officials said. They quoted Hosokawa as saying APEC should be a consultative forum based on "open regionalism" with due consideration to the diversity among member economies. Chuan was quoted as echoing Hosokawa's views on APEC.

Hosokawa Greeting Marks First Taiwan Contact

*OW201114093 Tokyo KYODO in English 1112 GMT
20 Nov 93*

[Text] Seattle, Nov. 19 KYODO—A simple exchange of greetings Friday [19 November] night marked the first-ever contact between a Japanese prime minister and a high-level Taiwanese official since diplomatic ties were severed in 1972.

At a dinner hosted by U.S. President Bill Clinton, Hsiao Wan-chang, Taiwan's economic affairs minister, approached Japanese Prime Minister Morihiro Hosokawa and said, "nice to meet you," Japanese sources said. Hosokawa returned the greeting.

Taiwan cut ties with Tokyo 21 years ago following the restoration of relations between Tokyo and Beijing. Both Hosokawa and Hsiao are attending the Seattle summit of the 17-member Asia-Pacific Economic Cooperation forum.

Hosokawa Discusses Income, Consumption Taxes

*OW2011095293 Tokyo KYODO in English 0906 GMT
20 Nov 93*

[Text] Seattle, Nov. 19 KYODO—Prime Minister Morihiro Hosokawa suggested Friday [19 November] his government will implement income tax cuts ahead of an increase in the consumption tax.

Hosokawa dropped the hint to reporters accompanying him on his visit to the U.S. city of Seattle to attend a summit of the Asia-Pacific Economic Cooperation forum. "I cannot boost the consumption tax soon after reducing income tax. It's difficult to increase the consumption tax," he said.

A government advisory panel proposed an income tax cut and a hike in the consumption tax from its current 3 percent Friday, but the panel's chief said the timing and scale is up to the politicians.

Political and business circles have said it is necessary for the government to cut income tax to end Japan's economic slump.

On rice imports, Hosokawa said, "the United States has a textile issue, while Japan has a rice issue. We must make efforts to resolve each of them. We cannot let pass the December 15 deadline" of successfully ending the Uruguay Round of world trade talks.

Japan has reached a basic agreement with the United States to open its heavily protected rice market to imports beginning in fiscal 1995, a Japanese daily has reported.

The NIHON KEIZAI SHIMBUN said minimum access will start at about 4 percent of the rice market and gradually be increased to 8 percent over a six-year moratorium before tariffication begins.

But Japanese officials have reiterated that the government refuses to replace its rice import ban with comprehensive tariffs.

Hosokawa on Compromise on Rice, Tax Cut

*OW2011130293 Tokyo KYODO in English 1245 GMT
20 Nov 93*

[Text] Seattle, Nov. 20 KYODO—Japanese Prime Minister Morihiro Hosokawa hinted Friday [19 November] at a possible compromise with foreign demands for Japan to open its rice market. "We cannot dodge the December 15 deadline for the Uruguay Round of multilateral trade talks," Hosokawa said.

"Until then, we will continue the talks to the last minute while maintaining our basic position. I don't know what the outcome will be, however." Hosokawa's comments implied a possible change in Japan's position to maintain its virtual ban on the import of rice.

The prime minister, who is attending the Seattle summit of the 17-member Asia-Pacific Economic Cooperation forum, was speaking to a limited number of journalists traveling with him. He said he told U.S. President Bill Clinton in a meeting Friday that both countries have difficult problems of their own but need to make efforts toward a solution of the Uruguay Round.

During their meeting, Clinton did not mention the rice issue at all, Hosokawa said.

This contrasts with remarks by U.S. Secretary of State Warren Christopher, who said Clinton "emphasized the need to make progress" on Japan's rice market.

The General Agreement on Tariffs and Trade, which sponsors the 7-year-old Uruguay Round, has proposed replacing all nontariff trade barriers with tariffs. But Japan, which maintains a policy of self-sufficiency in rice on the argument of food security, has strongly opposed rice being included in the tariffication scheme.

Hosokawa denied reports Japan has agreed with the United States to accept tariffication of rice after a six-year grace period. The talks "have not reached to such a point," he said.

Japanese media have reported Japan agreed to annually import 4-8 percent of its rice during the grace period.

Asked about an income and residential tax reduction, Hosokawa said, "it is of course under consideration as part of pump-priming measures." He did not indicate the size of the tax cut.

Hosokawa also hinted his government will implement income tax cuts ahead of an increase in the 3 percent consumption tax. "It's difficult to increase the consumption tax rate in order to reduce income tax."

On Friday, a government advisory panel proposed an income tax cut and a hike in the consumption tax rate from its current 3 percent. The panel's chief, Kan Kato, said the timing and scale is up to the politicians.

Political and business circles have pointed the need for the government to cut income tax to boost the sluggish economy. The Clinton administration has urged Japan to introduce income tax cuts, saying they would get the domestic economy back on track and thus revitalize the world economy.

Hosokawa Holds News Conference in Seattle

OW2111075693 Tokyo NHK General Television Network in Japanese 0130 GMT 21 Nov 93

[News conference by Prime Minister Morihiro Hosokawa with Japanese and other correspondents in Seattle on 20 November; italicized passages translated from the NHK-supplied Japanese voice over—live]

[Text] [Dean of press corps] Now, we would like to begin a news conference with Prime Minister Hosokawa. Mr. Prime Minister, please.

[Hosokawa] The APEC [Asia-Pacific Economic Cooperation] informal summit meeting ended a little while ago. The meeting was held—on Blake Island off Seattle—with top leaders of the APEC countries. Frank and in-depth discussions were conducted. This means that since the dinner party yesterday, the leaders have met for a total period of about six hours. Views have been exchanged on issues involving individual nations as well as present and future tasks of the Asia and Pacific region as a whole, and I think it was a very meaningful meeting.

I was able to see once again that the APEC, which is four years old this year, has made steady progress since its inception. I also think it was very meaningful that the leaders of the Asian and Pacific region were able to issue a statement pointing out the region's need for further economic development and for greater contributions to the international community.

The meeting confirmed that the next informal summit meeting of the APEC should be held in Indonesia next year. The top leaders discussed the growing importance of this region in the world economy. The meeting agreed on the importance of free trade in order to secure continued growth in this region, and emphasized the need to bring the Uruguay Round of talks to a successful conclusion by 15 December.

On the other hand, concerning ways to remove impediments to dynamic growth in this region, we discussed issues involving infrastructure, training, energy resource development, and environmental problems. We agreed that countries should cooperate with each other on these questions extensively on the basis of the APEC.

Furthermore, common understanding was shown in the belief that the APEC should be open to other countries. Top leaders discussed the importance of good relations

among Japan, the United States and China in the Asia-Pacific arena, saying that the relations of these three nations are very significant for the whole region.

On my part, I raised two points. I said that this region is full of dynamism capable of pulling the world economy ahead, and important questions have emerged regarding the problem of reconciling economic growth and concern for the environment. On the other hand, as the economy grows, we need to pay attention to the problem of energy supply needs. The question of what needs to be done in order to become self-sufficient in energy as well as the questions of economic growth and the environment together make up three major areas of concern. I said that we will have to have action programs prepared to deal with these three problems concurrently. I proposed that countries should cooperate in their efforts to prepare these action programs, and I obtained an agreement—or shall I call it approval—from other leaders on that.

Another point was that while the Asian and Pacific region is a region which has the dynamism necessary to move the world economy forward, about 95 percent of enterprises supporting the economy are small- and medium-sized businesses. In other words, they are supporting industries [previous two words in English]. I think that addressing the question of how APEC nations should support these industries will become a very important task. Based on this view, I proposed that the officials in charge of policies on small- and medium-size enterprises should get together in meetings. I obtained support for this from the other leaders as well.

In that context, I believe the meeting was very meaningful.

I would like to take this opportunity to thank President Clinton for taking the initiatives necessary to lead the meeting. Once again I want to thank the President, U.S. Government officials concerned, and the citizens of Seattle, Washington, for the efforts they made for the meeting and the warm welcome accorded to us. This is my report.

[Katamura] I am Katamura from YOMIURI SHIMBUN. [words indistinct] Mr. Prime Minister, I would like to hear your view.

[Hosokawa] As I said in my statement at the outset of this news conference, the APEC summit meeting was held here for the first time since the regional economic organization was inaugurated four years ago. The second round of the informal summit meeting will be held next year. I believe that a sense of unity has been building steadily among the APEC member nations. I hope that an open relationship based on economic cooperation will be built among the APEC member nations in the future. If APEC is eventually transformed into a free and multilateral trade structure which conforms to the GATT, that will be very fine indeed."

[Unidentified Japanese correspondent] Mr. Prime Minister, I think there was conspicuous confrontation between the United States and Asian nations at the APEC summit meeting. It was also pointed out that Japan was unable to

articulate a clear-cut policy toward the Asian region because it lacked a clear vision of the region's future. [passage indistinct]

[Hosokawa] In this meeting, there was no confrontation between the views of Asian nations and the United States. At least, such problems did not surface in debate. As I mentioned just a moment ago, the North American Free Trade Agreement has been ratified by the House of Representatives in the United States. The future relationship between NAFTA and APEC was discussed at the summit and summit participants discussed ways to build a free and multilateral trade system in the Asia-Pacific region. They agreed to work to build such a system while giving full consideration to compatibility with GATT. I believe that a good relationship will be built between the Asian nations and the United States.

[Unidentified Japanese correspondent] Mr. Prime Minister, at a news conference a little while ago, President Clinton said both the United States and Japan would assume responsibility for stimulating the world economy for the next year.

And according to a U.S. Government news briefing, President Clinton at an informal summit meeting explained his strategy for tackling the unemployment issue and stressed he would attach greater importance to cooperation with Japan in the area of macroeconomics.

Mr. Prime Minister, do you agree with President Clinton on these points?

[Hosokawa] The unemployment issue was not raised as an important agenda item for discussion at the summit meeting, but some summit participants mentioned it. It is closely related to economic development in the world and in the Asia-Pacific region. At yesterday's talks with me and at today's summit meeting, President Clinton said that what happens to the economies of the United States and Japan will have a great impact on the world economy and that the two nations should work hard to stimulate their economies. Other summit participants also expressed the hope that Japan and the United States would cooperate with each other and manage their economies bearing in mind the important roles they play in the world economy.

[Sugiyama] I am Sugiyama from YOMIURI SHIMBUN. Speaking at a news conference, President Clinton cited Japan, Taiwan and China as nations with which the United States registers huge trade deficits. Given the president's mention of Japan, I think the United States has suggested the idea of setting numerical targets in a bid to get Japan's trade surplus reduced, and that he has asked the Japanese Government to strengthen its administrative guidance to businesses. Mr. Prime Minister, what policies and measures did you outline to President Clinton that are geared to reducing Japan's trade surplus with the United States? You and President Clinton have promised to seek an agreement on reducing Japan's trade surplus by the time of the next Japan-U.S. summit talks on 11 February next year. Mr. Prime Minister, is there any prospect of reducing Japan's trade surplus with the United States?

[Hosokawa] At the Japan-U.S. summit talks yesterday, the issue of reducing Japan's trade surplus with the United States was raised for discussion. President Clinton and I agreed that both Japan and the United States would work to reduce it. What I told President Clinton at the summit talks was that the issue of reducing Japan's trade surplus should be resolved through the mutual efforts of the two countries and that any measure to cut the surplus must be within the governments' legitimate sphere of action. I also told President Clinton that quantitative control is not desirable.

I told President Clinton that there had been a recent contract concluded between the private firms of GE and Toyota. I believe the government must not get involved in anything that could be considered managed trade. It is desirable that the governments of the two countries leave correcting the trade imbalance to the independent efforts of their respective private sectors as much as possible. In that sense, setting numerical targets is not desirable. While Japan should work to give foreign goods more access to its market, the United States should work to bolster its competitiveness. Japan will take various measures to build itself into an economic society driven by domestic demand.

[Unidentified Japanese correspondent] This question concerns a statement by President Clinton. He said he expected great results from Japan by June next year. Do I understand the President does not expect Japan to take any firm action or initiatives before June next year?

[Hosokawa] Do you mean by February next year?

[The same correspondent] No, I mean by June next year.

[Hosokawa] By February next year?

[The same correspondent] Yes.

[Hosokawa] With the Japan-U.S. comprehensive economic talks set to be concluded by February next year, the United States would expect Japan to take measures to reduce its trade surplus.

[The same correspondent] President Clinton said he expected Japan to take measures by June next year.

[Hosokawa] President Clinton mentioned nothing about June next year when he spoke today. What made you mention June next year?

[The same correspondent] At a news conference, President Clinton said he would expect Japan to take concrete measures by June next year.

[Hosokawa] Really? I have no knowledge of such remarks by the President. With the Japan-U.S. comprehensive economic talks set to be concluded by February next year, Japan is working to settle major trade disputes in such areas as automobiles, government procurement, and insurance.

[Unidentified Japanese correspondent] President Clinton said at a news conference he hopes Japan will play a leading role in revitalizing the world economy by taking

measures to spur its economy. Mr. Prime Minister, I would like to ask you what measures Japan will take to stimulate its economy in the future?

The second round of the APEC informal summit meeting is set to be held next year in Indonesia, despite the decision by the prominent persons' meeting to hold the APEC summit once every three years. Would you then explain why the latest summit meeting decided to hold a session next year in Indonesia?

[Hosokawa] A report compiled by the meeting of prominent persons' meeting unequivocally called for an APEC summit meeting once every three years. As I said a little while ago, the summit participants held vigorous discussions and a personal relationship of trust was built among them. With this development in mind, they felt the need for the Asia-Pacific region to become a driving force in the world economy. For that reason, the summit participants felt the need to hold summit meetings as frequently as necessary to discuss ways to create the right environment for the Asia-Pacific region to become such an economic driving force. I do not think Indonesian Prime Minister Suharto expected any sort of decision to hold an APEC session next year in Indonesia. But he willingly accepted it.

As to President Clinton's remarks, I have no idea what he meant when he said he hoped Japan would take concrete measures by next June. He must have thought nothing would be finalized until that time, but I think it will still be quite difficult to meet such a deadline. However, as I said earlier, Japan will try hard. Among others, Japan's economy has been seriously depressed, and there is growing concern about the unemployment situation.

To deal with the issues so far, we have taken some financial and other measures. A report was presented by the Tax Commission a few days ago, and a report has also been worked out by the Economic Reform Study Council, which is to present a final report by the end of the year. With these in mind, I would like to take the greatest measures possible.

[Uchida] I am Uchida of TV Asahi. My question is about the economic stimulus measures. I think this is something people at home and abroad are most interested in learning about. At the summit meeting with the United States yesterday, and in discussions with other national leaders today, did you have a chance to discuss Japan's specific stimulus measures? If you did, could you tell us about them?

[Hosokawa] I did not discuss any specific measures to spur the Japanese economy. I am waiting for a report to arrive from the Hiraiwa panel by the year's end. Besides, I think the measures will need to be studied together with the tax reform project to be carried out next year. In view of this, I did not dwell on details of the matter yesterday. I only told President Clinton and other leaders that I am resolved to make my best efforts to spur the Japanese economy, even though Japan's economy is in very bad shape at present.

[Unidentified Reuters correspondent] I am from Reuters. This morning, President Clinton said he plans to cut the

budget deficit by \$100 billion. Do you think such action on deficit reduction is good enough?

[Hosokawa] I did not say anything about it in the meeting. But if I am to give my view of it now, I would say that it is very good indeed, and I hope the country will do more to reduce its deficit. The more, the better.

[Unidentified correspondent] I would like to ask about the rice issue. You earlier spoke about the need to bring the Uruguay Round to a successful conclusion. And I am sure you are aware that the rice liberalization issue is turning into an important part of the talks. Recently, there have been reports in the Japanese news media that Japan and the United States have arrived at a final agreement on this matter. Could you explain to us—in a way easy to understand—where negotiations now stand in regard to that question?

[Hosokawa] Although there have been various reports, Japan and the United States have yet to reach a final agreement on the rice issue. With the deadline set for 15 December, it is true that various levels of negotiation are under way. What I want to repeat is that many other negotiating nations are saddled with their own issues and the rice issue is very important for Japan from the stand-point of food, industry, and the environment. There have been resolutions passed by the Diet on it. We have no choice but to think about the matter based on past policy. I told President Clinton yesterday during talks with him that the rice issue is an intractable problem. There is not much time left, but right up until the last moment of the talks, we want to patiently and persistently explain our position, based on past policy.

[TV Asahi reporter Tabata] I would like to ask you about your comments just now on the rice issue. It has been speculated that the United States and EC will come to a conclusion on the Blair House Agreement in their talks on 22 November. If that is the case, will there be any change in the basic policy you explained earlier?

[Hosokawa] I think the issue of how the Blair House Agreement will develop is certainly the major focal point in the negotiations. Be that as it may, Japan and other concerned parties have to continue their efforts to bring the Uruguay Round of talks to a successful conclusion by taking into consideration the Blair House accord as well as Japan's rice policy. I understand that the rice issue is something that must be solved together with the other difficult issues which each country faces. Of course, I intend to maintain that the rice issue is of great importance to Japan in future negotiations with foreign countries.

While on the subject of the Uruguay Round I might mention some figures to counter the criticism from some quarters that Japan has not made many concessions because of the rice issue. For example, Japan has already offered to cut tariffs on industrial and mining products by an average of 60 percent in the Uruguay Round talks. I think the United States has offered a reduction of 36-37

percent and the EC about the same. Our country has offered to reduce tariffs on industrial and mining items by as much as 60 percent. In the services area, Japan has limited exceptional measures in most-favored-nation treatment to only two cases. So, Japan has made efforts to bring the Uruguay Round of talks to a successful conclusion.

Each country has its own difficult issues, like our rice issue. I told you earlier that the rice issue is one that must be solved together with the difficult issues which other countries face."

[NEW YORK TIMES reporter] I am David (Sander) from THE NEW YORK TIMES. Many American officials have been saying they are very interested in determining whether Japan's political reform will allow political ascendancy over the bureaucracy. Do you think the political reform efforts are provided with appropriate assessments of current trends in the government, and with strong leadership in the bureaucracy?

[Hosokawa] I think our political reform efforts will form the foundation on which to achieve the objective. The government's political reform bills have just passed the lower house, and we have still got a long way to go. However, I would like to lead the process to a successful conclusion, and this might then create a politics-led system in Japan's political and social structures.

[REUTERS reporter] I am (Al Keen) from REUTERS. Regarding the Japanese tax reform, the U.S. Government is reportedly urging Japan to front-load an income tax cut before a consumption tax hike. What is your comment on this?

[Hosokawa] My government has not made any official decision on that issue. Therefore, I cannot answer your question, but my government will make a decision taking into account Japan's future economic situation. The Tax System Council's recent report did not refer to when and how much the income tax should be reduced. Probably by the end of this year, there will be discussion on details of tax system reform in connection with a tax readjustment for the next fiscal year.

[JAPAN TIMES reporter] I am from THE JAPAN TIMES. President Clinton is advocating reactivation of the U.S. economy, particularly in the private sector. He also said that he would like to reactivate the business circles of individual members of APEC. However, the Japanese economy is facing a slump in domestic consumption. I suppose APEC leaders are very interested in how Japan will boost its economy. What is your plan for reactivation of the Japanese private sector?

[Hosokawa] During the conference, no APEC leader has said that Japan's economic recovery is a threat to them. As far as your question is concerned, the issue was not brought up in discussions. If my memory is correct, we did not discuss this issue over the last two days.

[Dean of the press corps] The time is up. Let us finish the news conference. Thank you.

Hata Meets With U.S. Secretary of State

OW2111040393 Tokyo KYODO in English 0117 GMT
21 Nov 93

[Text] Seattle, Nov. 20 KYODO—Foreign Minister Tsumoto Hata said Saturday [20 November] that Japan will strive to work out an agreement with the United States on bilateral framework trade negotiations by February. Japanese officials said. Hata made the remark in a meeting with U.S. Secretary of State Warren Christopher, who sought Tokyo's stepped-up efforts to make progress on trade talks on issues concerning foreign access to Japanese Government procurement and the Japanese markets of auto and auto parts, as well as insurance, the officials said.

The foreign minister acknowledged that Japan will try to reach an accord with the United States by February, when Japanese Prime Minister Morihiro Hosokawa and President Bill Clinton will meet in Washington, they said.

Replying to Christopher's call for Japan's further economy-spurring measures, Hata reportedly noted that Tokyo will fashion a specific plan for income tax cuts on its own, dismissing recent remarks by some U.S. officials demanding that Japan implement specific amounts of income tax reduction as an economic stimulus.

The secretary of state said he expects Japan to come up with a plan with "meaningful" and "sustainable" effects, according to the officials.

Hata and Christopher met at a Seattle hotel after an informal summit meeting of the Asia-Pacific Economic Cooperation forum.

Hata also conferred with foreign ministers of Thailand, the Philippines, Indonesia and Brunei over lunch.

While noting that Japan views China's recent military buildup as part of efforts for modernization rather than for a military expansion, Hata said that Tokyo will closely watch Beijing's move because it could affect the military balance in the Asia-Pacific region, Japanese officials said.

Hata and the other foreign ministers also confirmed that their countries will toe the line in pressing North Korea to clear itself of a suspected development of nuclear weapons at its facilities in Yongbyong, about 90 kilometers north of Pyongyang, the officials said.

'Demand-Driven Economy' Discussed

OW2111000193 Tokyo KYODO in English 2338 GMT
20 Nov 93

[By Keiko Tatsuta]

[Text] Seattle, Nov. 20 KYODO—The United States on Saturday [20 November] urged Japan to take "meaningful, sustainable" pump-priming measures to prop up the ailing economy, Japanese officials said.

U.S. Secretary of State Warren Christopher made the request during a bilateral meeting with Japan's Foreign Minister Tsutomu Hata, who is also the deputy prime minister, the officials said.

Christopher was quoted as saying he did not mean to ask for any specific figures.

Hata replied that Japan will seek the domestic demand-driven economy with its own initiative, while agreeing on the need for economic stimulus measures, the officials said.

Turning to the stalled Uruguay Round of multilateral trade talks, Christopher said the U.S. is committed to maximum efforts to wrap up the talks by the December 15 deadline, they said. Hata told Christopher that Japan will also make every effort in such areas as industrial goods and services, they said.

Earlier, U.S. Trade Representative Mickey Kantor asked Japan's International Trade and Industry Minister Hiroshi Kumagai to expand Tokyo's agricultural market access, including rice, while showing understanding of sensibility of the rice issue in Japan, the officials said.

Kantor named California, Arkansas, and Louisiana as states having a stake in the rice issue, they said.

Kantor is from California, U.S. President Bill Clinton from Arkansas, and Louisiana supported Clinton with all congressmen and congresswomen except one voting for the North American Free Trade Agreement (NAFTA), they said.

Kantor also called for Japan's initiative to improve market access for wood and leather products, as well as for financial services, the officials said.

Kantor told Kumagai that the U.S. has been demanding effective changes in language for the anti-dumping area in the draft final agreement proposed by former GATT Chief Arthur Dunkel, they said. Anti-dumping is a crucial issue for the U.S., Kantor was quoted as saying.

A senior Japanese trade official said the possibility of concluding the Uruguay Round talks by mid-December has become much higher after ministers of the Asia-Pacific Economic Cooperation (APEC) forum issued a declaration and an additional statement on the global talks, being held under the General Agreement on Tariffs and Trade (GATT), after the three-day ministerial meeting which ended Friday.

One of most outstanding issues is the U.S. demand in the anti-dumping sector, the official said.

Setting up a multilateral trade organization (MTO) and agricultural issues could be solved by the deadline, he said.

Even the controversial comprehensive tariffication of Japan's rice import ban could have been done tacitly between Clinton and Japan's Prime Minister Morihiro Hosokawa, he said.

As to the Japan-U.S. bilateral trade relationship, Clinton said at a press conference after meeting Hosokawa, "I frankly believe that by next June or July, certainly a year from now, I believe that the responsibility of the United States and Japan to do more to promote global economic growth will have been in large measure advanced. We've had done some of the things we should."

Hosokawa told Clinton that Japan's stance in bilateral talks is based on three principles—two-way dialogue, within government reach, and no numerical targets, a Japanese official said.

In this regard, Kumagai explained to Kantor that managing trade by controlling market shares is contrary to the Hosokawa administration's purposes for enhancing internationalization, transparency and competitiveness, the trade officials said.

Hata, ROK Foreign Minister Confirm Cooperation

*OW2111015893 Tokyo KYODO in English 0120 GMT
21 Nov 93*

[Text] Seattle, Nov. 20 KYODO—Japan and South Korea reaffirmed their desire Saturday [20 November] to cooperate closely in seeking a solution through dialogue to the North Korean nuclear issue. The policy was enunciated during a meeting between Japanese Foreign Minister Tsutomu Hata and his South Korean counterpart Han Sung-chu.

Japanese officials said Hata voiced hopes that China will use its influence to persuade Pyongyang to resume the stalled inter-Korean dialogue, which also covers mutual inspections of nuclear facilities.

Han said it is "of vital importance" that Pyongyang accept inspections of its nuclear facilities by the International Atomic Energy Agency (IAEA) to dispel international concern that it is pursuing a covert nuclear weapon development program. He also called for a "rational, realistic approach" in solving the North Korean problem, the officials said.

North Korea denies it has a secret nuclear program.

Hata told U.S. Cable News Network (CNN) that without admitting the IAEA inspections, North Korea "cannot dispel suspicion" it aims to become a nuclear power. Hata rejected as "impossible" allegations that Japan could arm itself with nuclear weapon due to the north korean nuclear threat.

The ministers met for bilateral talks after a ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) group.

Hata, PRC's Qian Qichen Meet on 20 Nov

*OW2111064993 Tokyo KYODO in English 0546 GMT
21 Nov 93*

[Text] Seattle, Nov. 20 KYODO—Japan and China will hold their first high-level security talks in Beijing next

month, the foreign ministers of both countries said Saturday [20 November]. Foreign Minister Tsutomu Hata and his Chinese counterpart Qian Qichen also reaffirmed that Hata will pay an official visit to China in early January.

Japan will dispatch Tadashi Ikeda, chief of Asian affairs at the Foreign Ministry, to the security talks. Ministry officials said that high on the agenda will be North Korea's refusal to allow international inspections of two nuclear facilities which are feared to be part of covert weapons program.

North Korea denies it is trying to build nuclear weapons.

Hata, echoing comments by Prime Minister Morihiro Hosokawa to Chinese President Jian Zemin on Friday, urged Beijing to exercise its "influence" to induce Pyongyang to dispel international concern by admitting inspectors of the International Atomic Energy Agency. Qian said there are limits to what China can do, but he voiced hope that North Korea "probably will gradually come to understand the situation."

He said Beijing approves of "Japan and North Korea talking to each other," indirectly calling for a reopening of bilateral dialogue aimed at fully normalizing relations. Tokyo and Pyongyang do not have diplomatic ties.

The eighth round of working-level talks between Japan and North Korea ended a year ago without a decision for their resumption when North Korean negotiators walked out of the meeting.

Turning to Sino-Japanese relations, Hata reiterated remorse over Japan's past invasion of China. "Japan has injured many people in the middle of this century. I want to express our renewed determination, not to let such a thing happen again," Hata was quoted as saying.

In response Qian hailed the "clear attitude" that Hosokawa's government has taken toward Japan's militaristic past.

The ministers met for bilateral talks after a ministerial meeting of the Asia-Pacific Economic Cooperation forum.

PRC's Jiang Zemin Views Influencing DPRK

SK2111045993 Seoul YONHAP in English 0448 GMT
21 Nov 93

[Text] Seattle, Nov. 20 (YONHAP)—Chinese President Jiang Zemin, in a summit with Japanese Prime Minister Morihiro Hosokawa, has expressed his intention to exert China's positive influence on North Korea to help resolve the nuclear problem. Jiang made the remark during Friday's meeting with Hosokawa after pointing out that the denuclearization of the Korean peninsula has been China's consistent position, according to Sadaki Numata, spokesman of the Japanese prime minister's office.

The Chinese president said, however, China will not exercise "negative influence" on North Korea, Numata told reporters.

Hosokawa, who asked the Chinese leader to use his influence on Pyongyang, was encouraged by Jiang's remark, Numata said. It was the first clear Chinese statement on a possible use of influence on North Korea with regard to the North Korean nuclear issue, observers noted.

It was not clear, however, what Jiang meant by "negative influence." An analyst for THE SEATTLE POST-INTELLIGENCER newspaper said Jiang must have meant "the military influence."

Numata said Japan intends to pursue the policy of resolving the North Korean nuclear issue through diplomatic means until all diplomatic efforts are exhausted. "It is premature to discuss sanctions against North Korea," Numata added.

'Community' Translated as 'Regional Society'

OW2111075793 Tokyo KYODO in English 0638 GMT
21 Nov 93

[Text] Seattle, Nov. 20 KYODO—Japan on Saturday [20 November] translated the word "community" describing the Asia-Pacific economies into a Japanese word meaning "regional society" to soften any implication that those nations are legally united as one.

The word "community" is usually translated into "Kyodotai" or a body of cooperation, as is the case with the European Community (EC).

However, the Foreign Ministry adopted a Japanese word with the meaning of regional society (chiiki shakai) in translating into Japanese the economic vision statement announced by leaders of the Asia-Pacific Economic Cooperation (APEC) forum Saturday.

The ministry apparently did so in consideration of Asian countries which oppose U.S. President Bill Clinton's vision of a "new Pacific community."

"Kyodotai gives an impression that it is a legally provided organization like the EC, but APEC is not such an institution but like a regional society promoting loose economic cooperation," a Foreign Ministry official said.

Some Asian countries are cautious about Washington's potential exertion of greater control over the 15-member regional group. Malaysian Prime Minister Mahathir Mohamed spurned Clinton's invitation to attend the APEC summit, becoming the sole leader of the 15-member regional group not to take part.

After the summit, Clinton said that the gathering "helped the Asia-Pacific region to become a genuine community, not a formal legal structure, but rather a community of shared interests, shared goals and shared commitment to mutually beneficial cooperation."

Hosokawa Leaves for Home Evening of 20 Nov

OW2111044793 Tokyo KYODO in English 0419 GMT
21 Nov 93

[Text] Seattle, Nov. 20 KYODO—Prime Minister Morihiro Hosokawa left Seattle Saturday [20 November]

evening for home after attending an informal summit of the Asia-Pacific Economic Cooperation (APEC) forum.

While in Seattle, Hosokawa also met separately with U.S. President Bill Clinton, Chinese President Jiang Zemin and other leaders of APEC member countries.

'Officials': Hata To Extend Stay in U.S.

OW2011024493 Tokyo KYODO in English 0214 GMT 20 Nov 93

[Text] Seattle, Nov. 19 KYODO—Japanese foreign minister Tsutomu Hata will extend his stay in the United States until Monday [22 November] to visit San Francisco, Japanese officials said Friday.

Hata, who is in Seattle to attend the ministerial meeting of the Asia-Pacific Economic Cooperation (APEC) forum, will stop off in San Francisco on Sunday for a brief rest, the officials said. Hata will leave San Francisco on Monday, arriving in Japan on Tuesday, they said.

Malaysia

Trade Minister on Possible Change in APEC

BK211111393 Kuala Lumpur NEW STRAITS TIMES in English 20 Nov 93 p 2

[Excerpt] Seattle, Fri. [19 November]—Malaysia is wary about accepting any recommendation that will radically change the original form and profile of the Asia-Pacific Economic Cooperation [APEC] set up in 1989 as a loose and informal consultative forum. International Trade and Industry Minister Datuk Sri Rafidah Aziz told the ministerial meeting here that there were certain recommendations of the Eminent Persons Group (EPG) Report that required a thorough study by senior officials.

The EPG report tabled at the ministerial meeting by its chairman, Fred Bergsten, entitled "A Vision for APEC: Towards an Asia Pacific Economic Community" sets out a four-part programme.

This includes the declaration "now" of an ultimate goal of free trade in the Asia-Pacific region; launch an immediate trade facilitation programme to reap benefits of further increases in trade and investment; initiate an extensive programme of technical cooperation and begin a process of "modest" institutional development. It also calls for "informal leadership meetings" to be convened at least every three years.

Rafidah said there are recommendations in the EPG Report that will contribute towards trade facilitation in the Asia-Pacific region and also those that can enhance the supporting infrastructure for greater economic cooperation. She stressed the importance for the APEC process and APEC to move into the future at a pace with which individual members are comfortable. APEC, which now groups 17 countries, should not evolve into anything that will "present APEC to the outside world as another bloc that attempts to bridge the Asia-Pacific economies, but at the same time creates a divisiveness with others."

Rafidah suggested that members take note of the basic thrust for cooperation as encompassed in the EPG Report but that APEC senior officials study "in detail the various recommendations...and then prioritise those that we can and should implement."

While thanking the EPG members for their report, Rafidah said it "encompasses their vision of what APEC should evolve into in the future" adding that several questions need to be asked as a result of the report.

These include: Do APEC members share the same vision for APEC's future as the members of the EPG? Do we agree entirely with the recommendations? And what do APEC members do with the recommendations? [passage omitted]

Papua New Guinea

Foreign Minister Sees 'Active' Role in APEC

BK2111071493 Melbourne Radio Australia in English 0600 GMT 21 Nov 93

[Text] Papua New Guinea's [PNG] Foreign Minister John Kaputin has described his country's admission into the Asia-Pacific Economic Cooperation Forum [APEC] as a means of ensuring that the views and interests of Pacific island countries are reflected. He says this offers a challenge which PNG is prepared to accept. Mr. Kaputin said PNG understood and fulfilled every obligation that accompanied its formal membership of APEC and that it will play an active role in the forum. PNG and Mexico are the latest countries to join the 17-member APEC with Chile expected to join next year before a three-year moratorium on membership.

Philippines

President Discusses Letter on APEC To Clinton

BK1911070493 Quezon City Radio Filipinas in English 0230 GMT 19 Nov 93

[Text] President Ramos expressed hope that the Asia-Pacific Economic Cooperation [APEC] summit in Seattle will help transform Philippine agricultural economy into an industrialized one. Earlier, the president, in a letter to President Clinton, proposed that the APEC summit agenda include the perspective of a small developing Asia-Pacific nation. He also pushed for regional cooperation to ensure sustainability of resources and protect the environment.

In his remarks during the breakfast meeting hosted by Southern Center for Internal Studies and Coca-Cola, the president said such undertaking can be realized because of the growing cooperation in the Asia-Pacific region and the rapid rise of Asia's economies, which according to him, is one of the realities in international life today.

The president said that the countries in the ASEAN or the Association of Southeast Asian Nations have gotten together to achieve a kind of cohesion that would give the

six countries the cultural variety, the talent-proved economic weight, the technological resilience, the attractiveness to investors that the ASEAN needs to become a major player in the future world. But such cooperation in business competition, according to the president, do not mean protecting ASEAN and the whole Asia-Pacific region economy by raising tariff walls. The ASEAN believes in open regionalism.

In the Philippines, the president said, reforms are being undertaken to boost foreign investment towards reforming and reviving the national economy. The Filipinos are prepared to account for themselves though they can certainly use all they can get from the world. Relationship with other countries such as the United States, according to the president, should not be anchored on military treaties and arrangements but on economic cooperation. He said there was a time when the relationship of the Philippines and the United States was one of dependence. Today neither of the two needs a special ties based on a special privilege. The RP [Republic of the Philippines]-U.S. relationship can survive on the basis of partnership, mutual advantage and mutual respect, and a common commitment to freedom and democracy.

In the open forum, he cited reforms being undertaken by his administration with regard to energy, telecommunications, peace and order, and foreign investment policies. His effort to sell the Philippines as a prime investment center gained ground as a multimillion dollar metal craft company expressed its interest in the country for its expansion move in Asia.

(Crew) Incorporated, an American firm based in Massachusetts, is a leading manufacturer of metal insignias for personnel of the United States Defense Department and all branches of the U.S. Armed Forces, including the National Aeronautics and Space Administration or NASA.

Meanwhile, the president has proposed to U.S. President Bill Clinton the inclusion in the APEC Summit agenda two issues vital to the Asia-Pacific region. In a letter to the U.S. President dated 17 November, Mr. Ramos proposed that APEC tackle the perspective of small and developing Asia-Pacific nations considering that the different economies in the regions are in different stages of development, discuss the issue of environment, particularly on the need for all Asia-Pacific countries, both developed and developing countries to cooperate and help each other in ensuring the sustainability of the resources and the protection of common environment.

The president made the proposal in response to a letter from Clinton regarding the APEC leaders' summit meeting in Seattle. APEC stands for Asia-Pacific Economic Cooperation which is holding a summit being hosted by the U.S. 20 and 21 November. About 15 heads of state from the Pacific Rim, including President Ramos are scheduled to attend the summit. Clinton has decided... [pauses] rather, invited the heads of state to a retreat in Tillicum Island, a private resort off Seattle to discuss issues relevant to the

region. The meeting has been described as private because only a note-taker and an interpreter are to accompany each head of state.

In his letter, the president told Clinton that he was looking forward to the APEC meeting to discuss the future of the Asia-Pacific region and the challenges that face the region in achieving their common and individual aspirations. He also told the U.S. President that he would consult with the country's partners in the Association of Southeast Asian Nations prior to the summit.

In particular, Mr. Ramos added he would like to get the views of his ASEAN peers regarding the pace of APEC's institutionalization and the relationship between ASEAN and APEC.

While agreeing in the draft statement on APEC forwarded to him by Clinton, the president proposed the inclusion in the summit agenda the concerns of small Asia-Pacific developing nations and the environmental problem. He explained that the region is comprised of economies of different stages of development and size, adding as the community evolves a sense of consideration extended by the developed countries in their dealings with the developing countries of the ASEAN community will enable to effectively work together [sentence as heard]. Mr. Ramos also stressed the need to discuss fully the environmental problems confronting the region. He said the item in the draft agenda on the environment should encourage all countries of the Asia-Pacific region to cooperate and help each other in ensuring the sustainability of their resources and the protection of their common environment. Toward this end, Mr. Ramos proposed that the debt-for-nature proposals should be supported by the developed countries as this will enable the developing countries to address environmental concerns and their debt burden at the same time.

The president also told Clinton that the participants should avoid describing the APEC summit as a retreat. The word connotes a drawing inward but they are about to do it. I would like to quote the president's statement: The word connotes a drawing inward but what we are about to do, is to me, a great step forward for all, unquote.

South Korea

President Interviewed Prior to APEC Summit

SK2311053293 Seoul SEOUL SINMUN in Korean
22 Nov 93 pp 4, 5

[Interview with President Kim Yong-sam by Yi Tong-hwa, chief of SEOUL SINMUN's Editorial Department, in Seattle on 18 November]

[Excerpts] [Passage omitted] [Yi Tong-hwa] Could you tell us in what way will it be desirable to develop the Asia-Pacific Economic Cooperation [APEC] group?

[Kim Yong-sam] The Asia-Pacific region has emerged as a new central arena that will lead the world's economy. Therefore, it is very important for countries in this region

to cooperate with each other. The 20 November Seattle APEC summit will be in line with the demand of the times. I believe that an extensive exchange of opinions by the heads of this region will greatly help promote mutual understanding.

APEC must first of all strengthen economic cooperation among the countries in this region and then increase common interest. Furthermore, it will inspire a new vitality in the economy of the entire world. To achieve this, APEC must work in the forefront to supplement the worldwide multinational trade system and promote the free trade system. In particular, exclusive regionalism must be stopped.

[Yi] What issues will you discuss during the ROK-U.S. summit?

[Kim] This will be our second meeting, following the first one last July. I think the upcoming talks will serve as an occasion to further consolidate relations between the two countries, which have become closer as a result of the visit to the ROK by President Clinton, and will be future-oriented. We will discuss important issues such as how to resolve the North Korean nuclear issue, how to strengthen the ROK-U.S. security relations, and promote economic cooperation and trade. There will be a close discussion on how to develop APEC.

[Yi] Some foreign media say that before North Korea announces it would accept nuclear inspections, there will be an announcement on the discontinuation of the Team Spirit exercise. And, there is talk that the ROK and the United States have different opinions on the nuclear issue. Would you comment?

[Kim] Those reports are not correct. I am very familiar with the North Korean nuclear issue. There has been substantial discussions between the ROK and the United States on the North Korean nuclear issue.... This is because it is we who can decide on such an issue. We, as well as other countries, and the press make false reports sometimes. When I meet President Clinton we will hold in depth talks.

[Yi] You said that the Korean peninsula has once again emerged as the region receiving the most attention. What measures are you taking to reduce the degree of danger, which is increasing, on the Korean peninsula?

[Kim] We do not by any means want North Korea's isolation. If North Korea dissolves its nuclear suspicions, we are prepared to assist North Korea so that it can fulfill its role as a responsible member of the international community.

However, North Korea is not able to resist the temptation of developing nuclear weapons, is developing new long-range missiles, and is deploying its military forces along the armistice line. All this shows that North Korea has not yet given up its line of communizing the entire Korean peninsula by force.

In the future, the government plans to all the more consolidate the ROK-U.S. combined defense system for possible military provocation by North Korea... At the same time the government will work to dissolve tension patiently holding South-North dialogue. Establishing trust gradually, we plan to persuade North Korea to resolve its nuclear issue.

[Yi] If North Korea ultimately refuses to guarantee nuclear transparency, how will our government deal with this matter?

[Kim] If such a situation occurs, it will be a direct challenge to the international community and a challenge to our peaceful efforts. I believe that they themselves are well aware of the situation they will incur if such a situation occurs. I anticipate that North Korea will not make the wrong decision.

[Yi] There are people who think that there is a possibility for North Korea's collapse from within and that it will launch a military provocation to cover this up. What are the government's countermeasures for such possibilities?

[Kim] The government is thoroughly prepared to deal with any kind of situation. However, we do not want anything to happen. I hope that reunification can be realized between South and North Korea through reconciliation and cooperation, without any confusion and ill effects.

[Yi] When do you think the South-North summit will be realized? Also, to what degree will South-North relations progress during your term of office?

[Kim] If mutual trust is restored to some degree by resolving North Korea's nuclear issue and putting into practice various agreed upon matters between the South and North, I believe South-North summit talks will be realized naturally. When considering various domestic and foreign matters, I believe a South-North commonwealth will be created before the end of my term in office. [passage omitted]

[Yi] Right after you took office, there was large-scale reform in the structure of military personnel. As the ruler who proclaimed the first year of a new ROK military, what are your plans for increasing defense capabilities and stirring up the morale of the soldiers?

[Kim] To strengthen the country's defense, "the military must be strong," and "the people's sense of national security" to support this must also be strong. I will work so that the military can regain its original appearance of "a strong military to whom combat is the first priority." By doing so, the military will receive the people's true trust and love. I plan to improve the military so that it will be a clean military in which capable people are selected to serve in the military. I will also work to improve the military so that it can become a technology-intensive military that can be victorious in a future war. Furthermore, a climate will be created so that all men will be able to fulfill their obligatory military service in a fair way. Treatment of

soldiers will be improved. I believe it is truly important for the military and people to be in harmony with each other. [passage omitted]

Foreign Minister Urges 'Interdependence'

SK1911062193 Seoul YONHAP in English 2250 GMT
18 Nov 93

[Text] Seattle, Nov. 18 (YONHAP)—South Korean Foreign Minister Han Sung-chu called the Asia-Pacific Economic Cooperation (APEC) invaluable to keep trans-Pacific states interdependent, and urged its 14 other members to solidify the regional body [word indistinct]. The challenge to trans-Pacific interdependence is the growing trend toward regionalism, he said, citing the single European market, and the North American Free Trade Agreement (NAFTA).

"Then how can we preserve and promote this crucial trans-Pacific interdependence? By two means: One, the Uruguay Round, the other, APEC," Han said in his keynote speech to the opening session of the fifth ministerial conference.

If the General Agreement on Tariffs and Trade (GATT) regime combines Europe, North America and East Asia, then "APEC is a force combining East Asia with North America," he said.

To ensure that the bond remains solid, the foreign minister urged APEC to seek "concrete and tangible results."

The region could pursue trade liberalization from next year, restructure the APEC organization for high efficiency and manageability and enact recommendations by the eminent persons group, Han said.

"The collapse of the linkage would result in the breaking down of the pacific economy into several subregional economic groupings," Han told the conference. "This will be disastrous to all the economies in the region, including those in Oceania."

Trade Minister Proposes 'Techno-Mart' 18 Nov

SK2011012293 Seoul YONHAP in English 0627 GMT
19 Nov 93

[Text] Seoul, Nov. 18 (YONHAP)—South Korean Trade, Industry, and Energy Minister Kim Chol-su proposed in Seattle on Thursday that the Asian-Pacific Economic Cooperation (APEC) establish a "techno-mart" to facilitate transfer of industrial technology from advanced to advancing nations, according to ministry officials. The officials said Kim also proposed that APEC set up a program to train technicians of advancing countries.

In order to establish the "techno-mart," Kim said, APEC should hold a seminar of specialists on technological transfers and let them tour industrial facilities and research centers and conduct studies for the technological needs of each country. Kim said the "techno-mart" could take place four times a year with each session lasting six days.

Kim called on each APEC country to form a special organization with government support. If money is needed, the APEC fund or the United Nations development fund should be made available, he said.

The ministry officials said a majority of member countries have expressed their support for Kim's proposals. Hong Kong, Australia and Canada showed their interest in concrete industrialization promotion programs, they said.

The proposals will be further studied at a senior working-level officials meeting, they said.

Clinton's 19 Nov Remarks on DPRK Issue Noted

SK2011030493 Seoul YONHAP in English 0255 GMT
20 Nov 93

[Text] Seattle, Nov. 19 (YONHAP)—U.S. President Bill Clinton indicated on Friday that Washington may take a "comprehensive approach" to solving the North Korean nuclear problem, his first on-the-record positive reaction to the idea.

South Korea, China and Japan are concerned but reluctant about imposing sanctions on North Korea, Clinton told a press conference following talks with Chinese President Jiang Zemin.

"They are worried about whether sanctions will backfire and we have discussed with them some other options, perhaps taking a more comprehensive approach to all the differences between us," Clinton told reporters.

The American press has reported all week that Washington is ready to offer a package deal, including economic aid and relations improvement, if North Korea accepts nuclear inspections. Clinton's reference to this package deal idea on Friday was his first.

U.S. Secretary of State Warren Christopher gave the same indications in a separate press conference, saying the United States will begin comprehensive dialogue if North Korea accepts international inspections and reopen dialogue with South Korea. But there are many stages between dialogue and diplomatic normalization. Christopher emphasized, and referral of the matter to the United Nations Security Council is inevitable if North Korea does not meet the two demands.

Heads of state and other high-level officials are in Seattle to attend the Asia-Pacific Economic Cooperation (APEC) ministerial conference and summit.

Japanese Prime Minister Morihiro Hosokawa raised the North Korean nuclear issue before Clinton did in their summit earlier, according to Japanese officials accompanying him.

Clinton explained that the situation is not yet going smoothly, and Hosokawa urged a solution through close U.S. consultations with Seoul and Tokyo, they said.

Hosokawa told Clinton that he intends to seek China's support in the matter in his talks with Jiang, they said.

Kim Yong-sam Meets With PRC President 19 Nov**Discuss DPRK Nuclear Issue**

SK2011005793 Seoul YONHAP in English 0036 GMT
20 Nov 93

[Text] Seattle, Nov. 19 (YONHAP)—Seoul and Beijing confirmed in summit talks Friday their agreement that the North Korean nuclear problem should be solved through dialogue and that the Korean peninsula must be nuclear free. President Kim Yong-sam asked for Beijing to exert influence on North Korea so its communist ally comes forward positively in clearing its nuclear suspicion.

Chinese President Jiang Zemin reminded Kim that Beijing had made efforts in the past for a peaceful solution to the situation and promised active efforts in the future as well, Korean presidential spokesman Yi Kyong-chae said after the 45-minute meeting.

The two leaders, meeting for the first time, were in Seattle for the Asia-Pacific Economic Cooperation (APEC) summit. Kim told Jiang that North Korea is wrong in believing that it can settle the problem by talking to the United States alone.

Seoul and Washington maintain close consultations on the matter, and the United States will not make any decision that contradicts South Korea's stance, Kim was quoted as telling Jiang. He did indicate willingness to help ease Pyongyang's economic plight by extending aid after the nuclear problem is resolved, Yi said.

Jiang reiterated China's position that it wants the problem cleared through inter-Korean, Seoul-Washington and Pyongyang-International Atomic Energy Agency (IAEA) dialogue. He said China supports denuclearization of the Korean peninsula with "firm faith," according to the spokesman.

Kim repeated that South Korea has no intention of absorbing North Korea in the process of unification as happened in Germany, saying he wants a co-existing, peaceful reunion of the country.

The two presidents discussed bilateral economic cooperation, with Kim suggesting joint development in automobile, telephone switching and aviation.

Jiang answered he will find detailed cooperation measures at the working level.

YONHAP Describes Setting

SK2011022593 Seoul YONHAP in English 0154 GMT
20 Nov 93

[Text] Seattle, Nov. 20 (YONHAP)—Presidents Kim Yong-sam of South Korea and Jiang Zemin of China sat down in a spacious room on the 17th floor of the Harbor Club, overlooking Seattle and the Pacific Ocean, on Friday morning for the second Seoul-Beijing summit since ties were normalized in August last year.

Their first encounter took place in a friendly atmosphere and lasted for 45 minutes, during which time Kim and Jiang touched on diverse issues ranging from the deadly serious—the North Korean nuclear problem—to the practical—closer economic cooperation and reforms in the two countries.

Presidential spokesman Yi Kyong-chae said that Jiang showed special interest in Kim's political reform drive, and his Korean counterpart explained in great detail specific legal reforms like mandatory asset disclosure and real-name financial transactions, and the voluntary reforms initiated by himself and other leaders by setting good examples.

Quoting an ancient proverb that a thousand hearings are not worth one seeing, Kim invited Jiang to visit Korea next year for a firsthand look at the reforms. The Chinese chief executive thanked him for the invitation and returned it, inviting Kim to his country.

—As host of the meeting, Kim arrived 10 minutes early for his summit with Jiang. When Jiang arrived they shook hands and Kim told him that it was a pleasure to meet the head of China, which is close to Korea historically and geographically. Jiang gave a nod of sympathy at Kim's greeting, and then smiled as he said he was happy to meet Kim.

Kim, observing that Seattle is the closest port to Asia on the continental United States, said that he found significance in the choice of the site. Jiang agreed.

—The summit started with a light discussion of their agendas on arriving in the United States. Kim spent a night in Los Angeles and Jiang in San Francisco, two cities with large numbers of emigrants from their countries.

Kim moved the conversation forward by telling Jiang that there are many Korean-Americans and Chinese-Americans in San Francisco, and Jiang informed Kim that he had made many good friends in the city when it made sisterhood ties with Shanghai while he was mayor.

"To my understanding, Chinese people came to San Francisco 100 years ago and contributed in pioneering the West," Jiang said.

Kim, remarking on the great number of Koreans who live in Seattle, stood up to point to an exclusive container terminal of Korea's Hanjin Shipping Co.

"Some one-sixth of our shipments to the United States arrive in Seattle and this port is used exclusively by Hanjin of Korea," Kim explained.

Reporters were then asked to leave and the serious talk began, attended by five senior officials from Seoul, including presidential secretary for economic affairs Pak Chae-yun and presidential secretary for foreign affairs and national security Chong Chong-uk, and five from Beijing, including Vice Foreign Minister Liu Huaqiu.

—The Seoul-Beijing summit took place in the best room of the Harbor Club, surrounded by full-length windows. To create an Asian atmosphere, however, South Korean officials had brought with them an eight-panel folding screen painted with apricots. During the summit, helicopters patroled the area to provide tight security.

The Sino-Korean summit not only drew the attention of Korean and Chinese reporters but AP, REUTER, AFP, and the American press.

—While her husband was summing, First Lady Son Myong-sun was donating two televisions to a primary school for the disabled and minorities.

Five pupils greeted the first lady in broken Korean, though none of the children there are Korean, and then Son was taken on a tour of the school, where 65 of the 250 pupils are disabled and 17 are Asians. The first lady wore a compassionate smile while listening to explanations from teachers, and afterward she said she had learned much about special education.

While touring the school, she stopped to shake hands with handicapped children and had a word of encouragement or a kiss on the cheek for each of them.

'Transcript' of Dialogue

SK2011090793 Seoul CHUNGANG ILBO in Korean
20 Nov 93 p 3

[“Transcript” of dialogue between ROK President Kim Yong-sam and Chinese President Jiang Zemin at the 19 November ROK-China summit talks in Seattle by correspondent Kim Hyon-ik from Seattle]

[Text]

Domestic Reform Issue

[Kim Yong-sam] The ROK's economic recovery has started. I expect the ROK's foreign trade to register a surplus this year. I want to show my respect to the fact that you, Mr. President, have brought about great economic achievements while turning the socialist system into a market-economy system.

There were times when the ROK and China had unfortunate and distant relations. The two countries are very close historically and culturally. I expect that the two countries will further develop relations of friendship.

[Jiang Zemin] The two countries had not known each other well and had been distant to each other before they established diplomatic relations. The two countries are now promoting relations in the political, economic, and cultural fields. One may believe that one knows foreign countries very well due to the development of communications. This is not true. Seeing is believing. Our colleagues who have returned after visiting the ROK say that they were deeply moved by the ROK's clean politics, the anticorruption campaign, and other reform measures.

[Kim Yong-sam] Corruption was rampant during the 32 years of military rule. I pledged not to receive any money from anyone during my term in office and have carried out my pledge. I also ordered that small food tables will be served at Chongwadae [presidential residence]. I asked high-ranking government officials to disclose their personal properties and provided systematic measures to prevent corruption by instituting a real-name financial transaction system. Economic development can be brought about only when there is no corruption.

[Jiang Zemin] That is correct. I have given guidance to high-ranking government officials to ensure that they be clean public officials. It is necessary to institute laws to punish corrupt public officials.

Economic Cooperation Issue

[Kim Yong-sam] I want to expand economic cooperation with China, a close neighbor. There are many areas where the two countries can promote cooperation, including the areas of capital, technology, and labor. We are interested in automobiles, electronic switchboards, and the development of aircraft.

[Jiang Zemin] I think the two countries can promote economic cooperation in various fields. I think shipment of goods will be easy between the two countries because they are close geographically and they can promote economic cooperation in various fields because they are close culturally. I will have working-level officials handle the areas, which you mentioned, to find ways to promote economic cooperation.

North Korean Nuclear Issue

[Kim Yong-sam] North Korea's nuclear weapons development is the focus of global attention. It not only threatens peace on the Korean peninsula, but also is harmful to China. Japan, taking North Korea's nuclear weapons development as an opportunity, may arm itself with nuclear weapons. I hope China will exert strong influence on North Korea and persuade it to resolve the nuclear issue. We have a plan to supply food to North Korea when the North Korean nuclear issue is resolved.

We have no intention of achieving reunification through merger, like Germany. We want peaceful reunification based on the principle of coexistence.

[Jiang Zemin] We have much interest in the situation on the Korean peninsula. I hope that the issues concerning the Korean peninsula will be properly resolved. China has made efforts to peacefully resolve North Korea's nuclear issue. China will also make positive efforts to resolve North Korea's nuclear issue in the future.

At present, talks between the United States and North Korea and talks among North Korea, South Korea, and the International Atomic Energy Agency are under way. I hope that North Korea's nuclear issue will be resolved through such various channels.

[Kim Yong-sam] North Korea has misunderstood that everything will be settled only if it holds talks with the United States. The ROK and the United States have, however, maintained a firm cooperative system. The United States will not make a unilateral decision contrary to ROK's opinion. I hope that you will properly notify North Korea of such a fact.

Relations Between the United States and China

[Kim Yong-sam] It seems that the recent relations between the United States and China have not been smooth. I will make an official visit to Washington after the leaders' meeting of the Asia-Pacific Economic Cooperation. When I meet with President Clinton, I will stress that the improvement of U.S.-Chinese relations is beneficial to both countries' common interests and world peace and prosperity.

[Jiang Zemin] Frankly speaking, U.S.-Chinese relations have not been smooth for the past four years. I deeply thank Your Excellency for planning to make such remarks when you visit Washington.

Invitation of Mutual Visit

[Kim Yong-sam] I express great respect because your presidential leadership has made great development in turning China's socialist economy into a market economy. There is a saying that seeing is believing. I hope that you will visit the ROK next year. You will be more warmly welcomed than anyone else.

[Jiang Zemin] Thank you very much. I hope that you will first visit the ROK when it is convenient for you. There is a Chinese saying that people feel ill at ease at the first meeting; they become old friends at the second meeting.

[Kim Yong-sam] Even though this is our first meeting, it seems to me that we have met several times.

President Meets Premiers of Australia, Canada

SK2011045793 Seoul YONHAP in English 0258 GMT 20 Nov 93

[Text] Seattle, Nov. 19 (YONHAP)—South Korean President Kim Yong-sam held separate summit meetings with Australian Prime Minister Paul Keating and Canadian Premier John Chretian on Friday and discussed the North Korean nuclear issue and ways strengthen economic cooperation for the Asia-Pacific region. Kim and Keating agreed that they will work together to promote trade liberalization by strengthening a multilateral trade system, according to presidential aides.

President Kim thanked Keating for Australia's help for South Korea's bid to become a non-permanent member of the United Nations Security Council and asked for Australian cooperation in international efforts to resolve the North Korean nuclear problem, they said.

Keating told Kim it was Australia's position that North Korea's nuclear material reprocessing plants are unacceptable.

The Australian Prime Minister promised Kim that Australia will provide assistance for the world community's efforts to

persuade North Korea to allow inspections of the International Atomic Energy Agency (IAEA) and simultaneous inspection with South Korea.

With Chretian, Kim shared the opinion that APEC-member nations should boost their scientific and technological cooperation among themselves.

President Kim also thanked Canada for its part in helping to resolve the North Korean nuclear question.

In President Kim's meeting with Chretian at the Sheraton Hotel, the two leaders agreed that their countries should continue to expand their trade and investment even if the North American Free Trade Agreement (NAFTA) takes effect. Kim promised Chretian that he will personally take the lead in his government's plans to ease various restrictions to encourage foreign investment.

Chretian, on his part, expressed his belief that the existing trade relations between South Korea and Canada will continue despite the NAFTA.

Chretian then proposed that the two countries exchange young industrial technicians to train them and Kim, saying it was a good idea, told the Canadian premier that he will instruct Korean officials to discuss the matter with their Canadian counterparts. Chretian also told Kim that he hopes to see him again either in Seoul or Ottawa. Kim thanked him, according to presidential aides.

President Speaks at Blake Island Meeting 19 Nov

SK2011131693 Seoul YONHAP in English 1306 GMT 20 Nov 93

[Text] Seattle, Nov. 20 (YONHAP)—South Korean President Kim Yong-sam declared his support Friday for elevating Asia-Pacific Economic Cooperation (APEC) to a community with a proposal of four priorities to that aim.

Making the first address of the APEC Summit session on Blake Island near here, the South Korean leader championed market economics and free trade in the Asia-Pacific to lead world economic growth. He listed specific tasks for the forging of a new Pacific age, first, joining forces for successful conclusion of the Uruguay Round.

"Even after the current round of trade negotiations has been concluded, we should make efforts to begin a new round of multilateral talks to further bolster the free international trade regime," Kim told the 15-member summit.

Second, the governments must remove restrictive regulations to promote genuine market economics. This, he said, requires support for reform and openness by countries in the middle of transition to market economies.

"Third, well-considered efforts should be made to overcome the gaping disparities in this region," he said, closing gaps in economic development and industrial structures in this part of the world.

Lastly, APEC should address worldwide economic problems of recession, unemployment and trade imbalances through policy cooperation and coordination, he said.

"In order to effectively carry out these tasks, I believe we should also discuss ways to gradually develop APEC into a more close-knit Asia-Pacific economic community," said Kim.

Kim Attends 19 Nov Reception Hosted by Mayor
SK2011053993 Seoul YONHAP in English 0508 GMT
20 Nov 93

[Text] Seattle, Nov. 19 (YONHAP)—President Kim Yong-sam and first lady Son Myong-sun attended a reception Thursday evening given by the governor of Washington and the mayor of Seattle. The Kims left the Sheraton Hotel and he was the ninth head of state to arrive at the reception in accordance with the protocol of the Asia-Pacific Economic Cooperation (APEC).

The president exchanged greetings with Japanese Prime Minister Morihiro Hosokawa, Chinese President Jiang Zemin and U.S. President Bill Clinton.

Clinton was the most outgoing and cordial, grabbing Kim's hands and calling him, "my friend!"

Clinton told Kim that he was eagerly awaiting the chance to meet him again at the APEC leaders' meetings and in Washington.

Kim replied that he hoped a lot of useful opinion would be exchanged at a banquet to be hosted by Clinton and at the APEC leaders' meeting.

Son, meanwhile, asked Hosokawa why his wife, Kayoko Hosokawa, was not with him. The Japanese prime minister replied that she had to stay behind because their daughter is taking her university entrance examination.

Hosokawa told Son that he had enjoyed his visit to Kyongju earlier this year.

Foreign Minister Supports China's Entry to GATT
SK1911122693 Seoul YONHAP in English 1148 GMT
19 Nov 93

[Text] Seattle, Nov. 18 (YONHAP)—Foreign Minister Han Sung-chu offered an impromptu support for China's entry into the GATT (General Agreement on Tariffs and Trade) in his keynote speech made at the APEC (Asia-Pacific Economic Cooperation) ministerial meeting here on Friday [19 November] local time.

A source at the South Korean delegation said that prior to Han's speech, a Chinese delegate came to Minister Han's seat and asked him to express support for China's entry into the GATT.

Han readily agreed and inserted remarks on the support into his speech text.

When Minister Han came back to his seat after the speech, Chinese Foreign Minister Qian Qichen approached him to personally thank him for the support, the source said.

The original text of APEC's statement on the Uruguay Round talks contained a part on the tariffication of agricultural goods linked to the issue of rice market opening. But, the part was deleted because of objection raised by a number of APEC member countries.

An official of the South Korean delegation said the countries which made the objection included Japan, Canada and Indonesia in addition to South Korea.

An APEC report on economic trends said that in 1991 when the world economy grew 0.8 percent, APEC countries registered a 2.2 percent economic growth on the average. Their economy expanded 3.1 percent in 1992 and is expected to grow 3.9 percent in 1993 and 4.2 percent in 1994. The report also said that the share of APEC countries' economy in the world economy has steadily increased from 41.6 percent in the early 1980s to 47.7 percent in 1989 and 50 percent in 1990.

Trade Minister on 19 Nov Ministerial Meeting
SK2211054793 Seoul CHOSON ILBO in Korean
21 Nov 93 p 7

[By reporter Kim Kwang-hyon from Seattle]

[Text] Kim Chol-su, ROK minister of trade, industry, and resources, attended a meeting of APEC [Asia-Pacific Economic Cooperation] leaders in Seattle and held roundtable talks with ROK reporters on 19 November. The following is the content of his talks with reporters.

[Reporter] What was the greatest difficulty you had during the meeting?

[Kim Chol-su] We did not officially express our stance, but we made efforts to exclude the "principle of tariffs without exception on agricultural products" in the contents of the Uruguay Round special declaration adopted at the APEC meeting. Our delegation has attached more importance to the settlement of this issue than to the APEC meeting itself.

[Reporter] Although the principle is not included in the declaration, it will be discussed again in Geneva. Agricultural products must be sacrificed in order to resolve the Uruguay Round issue soon. What do you think about this?

[Kim] It is our government's consistent policy that it will make endless efforts to exclude rice from the list of tariffs. Although no one can dare say that it will be excluded, it is possible if we use all our negotiation capabilities.

[Reporter] What would be the greatest success achieved during the APEC meeting?

[Kim] Success would be achieved if a basic declaration was adopted at the APEC meeting regarding the liberalization of trade and investment. We can also expect that the newly

established Trade and Investment Committee will play a role in preventing the creation of blocs in the world economy.

[Reporter] Do you believe that more progress than expected has been made in the meeting?

[Kim] A great success made in the meeting is that our proposal to open technology markets and to develop a job training program has been adopted at the APEC meeting.

[Reporter] Because of the U.S. Congress' recent passage of the North American Free Trade Agreement [NAFTA], it seems that there are limits to the APEC economic bloc. What do you think of this?

[Kim] APEC countries do not advocate a closed economic bloc but instead pursue an open regionalism. Because countries that belong to NAFTA are also member states of APEC, it is possible for member states of NAFTA and APEC to cooperate with each other for their co-existence.

President on Economic Assistance to DPRK

SK2211075993 Seoul *CHOSON ILBO* in Korean
22 Nov 93 p 3

[Comments by President Kim Yong-sam during a dialogue among Asia-Pacific Economic Cooperation leaders during the APEC summit talks on 20 November in Seattle provided by Pak Chin, presidential public information secretary and President Kim Yong-sam's interpreter]

[Excerpt] [Passage omitted on first session of summit on vision of the Asia-Pacific region]

Second Session (Domestic and Regional Priorities)

[Kim Yong-sam] I have been pursuing building a "new economy" since I became president. I am pursuing building a "new economy" which is free from government control—a practice of the previous ROK Governments, and which works based on people's participation and creativity. The new ROK Government has been positively pursuing opening up and internationalization. To induce foreign investment, the ROK has widened areas for foreigners' investments, allowed foreigners to own land, and has been trying to protect intellectual rights. I think there are chances for the resolution of the North Korean nuclear issue. We are willing to give economic assistance to North Korea if it cooperates in this matter. I am looking forward to North Korea's participation in Asia-Pacific Economic Cooperation if circumstances permit. [passage omitted on remarks by other leaders]

Clinton Remarks on 'Initiatives' on DPRK Noted

SK2111030093 Seoul YONHAP in English 0254 GMT
21 Nov 93

[Text] Blake Island, Seattle, Nov. 20 (YONHAP)—U.S. President Bill Clinton said Saturday that Seoul and Washington will soon produce several initiatives to resolve the North Korean nuclear problem.

Clinton, speaking on the three-hour-long free discussions among 15 leaders of Asia-Pacific Economic Cooperation (APEC) member countries in Blake Island, told a press conference that the North Korean issue was not touched during the meeting.

Saying the nuclear question was causing concern for the governments of South Korea and the United States, Clinton, however, expressed his confidence that they would soon find solution to the problem. He added that he and South Korean President Kim Yong-sam would be discussing the matter when Kim visits Washington on Tuesday.

Leaders Attend 20 Nov Blake Island Luncheon

SK2111074793 Seoul YONHAP in English 0702 GMT
21 Nov 93

[Text] Blake Island, Washington, Nov. 20 (YONHAP)—The top leaders of the 14 countries, here attending the APEC (Asia-Pacific Economic Cooperation) leaders economic conference, had a luncheon together at a dining hall near the conference site after the morning session. The lunch featuring smoked salmon was originally set to begin at 12:30 p.m. but, it started at 1:20 p.m. due to the prolonged morning session and lasted one and half hours.

Chatting were led during the luncheon chiefly by Presidents Kim Yong-sam of Korea, Bill Clinton of the United States and Jiang Zemin of China.

"Salmon fishery is being dealt a blow because of environmental pollution," President Clinton said.

An immediate response came from Jiang Zemin, who said, "human health problems are also very important. Chinese people use much soy bean for health."

Clinton said foods made of soy bean are enjoying growing popularity among the American people, too. "There even are tofu ice cream," he said.

President Kim said simple foods prevail in South Korea, adding that at Chongwadae, his residence-office, noodle is used often, which he said is very delicious and good for health.

—After an afternoon session that lasted about one hour following the luncheon, the APEC leaders left Blake Island at 3:20 p.m. for Seattle.

Emerging from the meeting, the top APEC leaders posed briefly for photos and answered press queries.

President Kim told Korean reporters he was highly satisfied at the outcome of the APEC summit. Kim said there were many interesting items.

Asked if there wasn't much difficulty in communicating with other leaders, President Clinton said there was no problem. "The more we talked, the more we became intimate," he said.

Clinton stressed that through the summit, the participating leaders could build up their personal friendship.

—Senior secretaries accompanying their respective leaders had a separate working luncheon for about two hours Saturday to discuss the direction of APEC development. The meeting was attended by chief presidential secretaries of ten countries.

Pak Kwan-yong, South Korea's chief secretary, explained about President Kim's reform program and expressed the hope that APEC will develop solidly in the age of competition and cooperation.

—Pak Chae-yun, senior secretary for economic affairs, said that since Korea played a "big" role in the APEC meetings, the country would be able to continue playing a key role in APEC programs in the future as well. He said that President Kim, who was the first speaker at the APEC leaders conference, proposed another APEC summit next year and all participating leaders agreed.

"There now is the strong possibility that APEC will be developed into an economic community," Pak said.

Government, U.S. To Establish Cooperative Body

SK211073093 Seoul YONHAP in English 0723 GMT
21 Nov 93

[Text] Seattle, Nov. 20 (YONHAP)—South Korea and the United States agreed here on Saturday to establish a Korea-U.S. industrial cooperative committee next spring.

The agreement came during a meeting between Korea's Trade, Industry and Energy Minister Kim Chol-su and his American counterpart, Secretary of Commerce Ronald Brown.

Minister Kim explained about his government's various de-control policies, and Brown, welcoming it, disclosed a plan to visit Seoul next spring to sign a document on the establishment of the proposed committee.

Meanwhile, Foreign Minister Han Sung-chu had a meeting with Japanese Foreign Minister Tsutomu Hata Saturday, where it was reaffirmed there is no difference among South Korea, the U.S. and Japan over the North Korean nuclear question. The two ministers decided to establish within this year the Korea-Japan Economic Cooperation Committee whose creation was agreed on during the Korea-Japan summit in Kyongju early this month.

Government Offers To Eliminate Some Tariffs

SK2211095493 Seoul YONHAP in English 0849 GMT
22 Nov 93

[Text] Seoul, Nov. 22 (YONHAP)—South Korea offered to join in reducing or eliminating tariffs on electronics goods, scientific equipment, paper and toys, and harmonizing tariffs on nonferrous metal in last week's Asia-Pacific Economic Cooperation (APEC) ministerial meeting in Seattle, the Economic Planning Board (EPB) said Monday.

Ministers of the 15-member regional body drew up a package accepting tariff cuts on nine items that were agreed in Tokyo in July by the so-called quad powers—the

United States, the European Community, Japan, and Canada—and adding nine items, including electronics and non-ferrous metal.

Seoul agreed on five items: Four (electronics, paper, toys and scientific equipment) for tariff reductions and elimination, and one (non-ferrous metal) for harmonization at low rates. It said "no" to cuts and elimination for wood, non-ferrous metal and oil-producing plants, and to harmonization of fisheries items.

The largest trading powers reached a tariff-cutting pact in July that eventually aims at zero-for-zero to stimulate the long-stalled Uruguay Round negotiations, which face a Dec. 15 deadline. They agreed to scrap tariffs on steel and iron, construction equipment, farm equipment, pharmaceuticals, medical equipment, beer, spirits, and furniture, and to reduce duties on chemical products.

Government To Improve Investment Environment

SK2211061293 Seoul YONHAP in English 0458 GMT
22 Nov 93

[Text] Washington, Nov. 21 (YONHAP)—The South Korean Government will accelerate improvement of the investment environment for foreigners and toughen its protection of intellectual property rights to create the open market that members of the Asia-Pacific Economic Cooperation (APEC) agreed in last week's Seattle meeting, a senior presidential aide said Sunday.

"We will equip policies and laws needed to follow the APEC principles as soon as possible," the aide told reporters during the flight from Seattle to Washington.

Wrapping up his stay in Seattle with the closure of the APEC leaders forum on Blake Island, President Kim Yong-sam and his entourage headed for Washington on Sunday afternoon for a trip highlighted by a Seoul-Washington summit on Tuesday.

Now the second-stage of APEC's march toward diversity and openness has been opened by the pledged trade and investment framework. Seoul is working on expanding fields open to investment and allowing foreigners to own land to improve the environment, the aide said.

Foreign investment will be welcome in both joint ventures and directly, and the government will study forming a free investment zone to provide bargain sites, he said.

"We will also encourage overseas investment by Korean firms as much as concentrating on promoting a better investment environment here," he said.

Revision of the foreign exchange control law, considered a hindrance to free investment to both Koreans and foreigners, is being discussed.

The new Committee on Trade and Investment (CTI) will study 10 tasks that include simplification and harmonizing of differing customs and quarantine inspection procedures among the member countries and vitalization of trade activities among Asia-Pacific group for quick implementation, he said.

Korea was chosen as the first chair country of the CTI, the executive arm of TIF [expansion unknown] that is purposed to break trade barriers in the region.

Seoul will commit itself to the last-minute Uruguay Round negotiations as APEC leaders pledged to make efforts to conclude the multilateral free trade accord to meet the Dec. 15 deadline, the presidential aide said.

To reflect the differing views of the negotiating countries as much as possible will inevitably take a long time, he said, hinting that conclusion this year is difficult.

President Kim will call for a economy-related ministerial meeting as soon as he returns home and discuss follow-up measures according to the APEC agreement, he said.

Singapore

Premier Congratulates Clinton on NAFTA Vote

BK1811113893 Singapore Singapore Broadcasting Corporation in English 1100 GMT 18 Nov 93

[Report by Diana Koh from Seattle]

[Text] Prime Minister Goh Chok Tong, who had just arrived in Seattle, had a word of congratulations for President Clinton. [Goh recording indistinct]

Mr. Goh said the passing of the NAFTA [North American Free Trade Agreement] vote (?had shown) that the U.S. would be looking outward and that was good for APEC [Asia-Pacific Economic Cooperation]. The other important aim of this first-ever gathering of leaders from the Asia-Pacific region will be [words indistinct] that the Uruguay Round of talks must be concluded by the 15 December deadline.

Goh Chok Tong Meets With PRC President

BK2111121693 Singapore Singapore Broadcasting Corporation in English 1100 GMT 21 Nov 93

[Text] Singapore's Prime Minister Goh Chok Tong met China's President Jiang Zemin in Seattle. A Singapore spokesman said both leaders exchanged views on the APEC [Asia-Pacific Economic Cooperation] ministerial and leaders meeting. Mr. Goh also briefed President Jiang on Suzhou and Shandong projects. President Jiang supported these projects.

Goh on U.S.-PRC-Japan Relationship, NAFTA

BK2211122293 Singapore Singapore Broadcasting Corporation in English 1100 GMT 22 Nov 93

[Text] Prime Minister Goh Chok Tong says that a balanced triangular relationship among the United States, China, and Japan is essential for the long-term security and prosperity of the Asia-Pacific region. He said the leaders of the three countries have become comfortable with each other following their Seattle meeting, but it is too early to

say whether a triangular balance had been achieved. Nevertheless, the meeting made a good start, as they have a common view that the two sides of the Asia-Pacific should be united.

Mr. Goh was speaking to Singapore reporters after the APEC [Asia-Pacific Economic Cooperation] summit.

Mr. Goh also commented on the expansion of the North American Free Trade Agreement [NAFTA] to include countries in Asia to form a Pacific Free Trade Area. The prime minister said this should be done once NAFTA is consolidated and if the timing is ripe. He said NAFTA could link up with the ASEAN Free Trade Area, AFTA, along with Australia and New Zealand, and Singapore will happily join if invited.

Thailand

Radio Reports Chuan-Clinton Meeting in Seattle

BK1911100993 Bangkok Radio Thailand Network in Thai 0530 GMT 19 Nov 93

[Report by Public Relations Department correspondents Chintana Phantusap and Somphon Kitkanprasoet from Seattle]

[Text] Today is the first day that Thai mass media representatives have had an opportunity to take pictures of the meeting between the leaders of the two countries, Thailand and the United States. President Bill Clinton of the United States arrived in Seattle at 1400 to attend the meeting of APEC leaders. His first activity here is to hold consultations on official matters with Prime Minister Chuan Likphai at the Westin Hotel, where the U.S. President is staying in Seattle. The bilateral talks attracted great attention from more than 100 reporters from Thailand and other countries here to cover the event.

The Thai delegation includes Deputy Prime Minister Suphachai Phanitchaphak; Foreign Minister Squadran Leader Prasong Sunsiri; Commerce Minister Uthai Phimchaichon; Thawat Wichaidit, secretary to the prime minister; Pracha Khunakasem, permanent secretary to the Foreign Ministry; and Aphisit Wetchachiwa, spokesman attached to the Prime Minister's Office. The U.S. side includes U.S. Secretary of State Warren Christopher; and Winston Lord, deputy U.S. secretary of state for East Asian and Pacific affairs.

After the meeting, Prime Minister Chuan granted an interview to reporters on the outcome of the meeting with President Clinton on various issues. On the issue of state enterprise employees, the Thai prime minister explained to Clinton that employees in the Thai state enterprise sector are different from those of the United States because the Thais enjoy all the same privileges as government officials. Besides, the government also intends to amend acts on state enterprise employees relations allowing the setting up of labor unions. The prime minister praised the United States for its role contributing to the establishment of peace in Cambodia, while Thailand reaffirmed its

intention to follow the resolutions adopted by the United Nations. On the problem with the United States concerning the patent issue, the Thai Government has shown its sincere efforts to solve the problem seriously and continuously. Thailand therefore asked the United States to consider dropping Thailand from the priority countries watch list, saying that the practice would be beneficial to both countries.

[Begin Chuan recording, in progress] ...especially, he said he wants to open up market the world over. On this, I informed him that we very much agree with the idea to establish world free trade. I said, in my opinion the most important on this issue is the Uruguay Round of trade talks. Under the leadership of the President, we believe that he has the ability to push for the conclusion to such talks by the set deadline. In principle, the entire world should have the same trade regulations—that is the regulations of GATT. Therefore, Thailand very much agrees that the conclusion to these talks should be made as soon as possible. That was the first issue.

The second issue is about APEC. We agree with what he said about encouraging trade and investment cooperation in the Asia-Pacific region. However, for some countries, especially the ASEAN members that are developing countries, we admit that we have not been as ready as the developed countries. Therefore, to find conclusions to the APEC issue, I think it would be good and correct for us to take gradual steps based on our readiness.

Another point the president proposed is to hold a meeting once a year. He used the words annual meeting. He did not say if the meeting would be at the leadership level. I told him that a meeting once a year has been a normal practice for us. Therefore, I think there should not be any problem on this.

The president also noted that the United States has suffered trade deficits with all the countries in Asia and Pacific except only one country, Australia. Regarding the trade balance, I told him that previously the United States dominated all the markets in that region more than any other country. However, in the past 20 years, the United States placed less significance on investment and trade in those countries. As for Thailand, the investment by United States is third among foreign investment in our country, and every business invested by the United States in this country has met with fine success. I therefore asked him to pay greater attention to the Asia-Pacific regarding investment. [end recording]

Urges Tariff Exemptions

BK2011011593 Bangkok BANGKOK POST in English
20 Nov 93 pp 1, 3

[Text] Prime Minister Chuan Likphai yesterday urged US President Bill Clinton to retain special tariff exemptions granted to Thailand and to drop the country from all categories of countries threatened with trade sanctions.

Mr Chuan was speaking during the two leaders' first meeting since they took office, and in the first of a series of

bilateral talks Mr Clinton is having with selected leaders before the informal summit of the Asia Pacific Economic Cooperation group (APEC) on an island retreat outside Seattle today.

Several of the APEC leaders arrived in Seattle in a buoyant mood, not least Mr Chuan, with his coalition's no-confidence debate success, and Mr Clinton with the North American Free Trade Agreement vote in Congress.

On Tuesday, Japanese Prime Minister Morihiro Hosokawa received parliamentary support for electoral reform, while Canadian Prime Minister Jean Chretien only recently came to office in a dramatic election victory.

The 40-minute Chuan-Clinton talks covered a number of topics in addition to the current trade tension, including APEC, world trade, Cambodia, and narcotics. The atmosphere was said to be friendly, although one Thai official said Mr Clinton looked tired after his flight from Washington DC and the campaigning on the NAFTA vote. The tone was set by Mr Clinton's prompt response to a question during a short session for photographs before journalists were barred from the meeting room. He was asked why he chose Thailand for his first bilateral meeting in Seattle. He replied with a tribute to Mr Chuan's record on democracy and human rights in Thailand, Cambodia and Burma.

"Thailand and particularly Prime Minister Chuan has been a good ally of the United States," he said. "We have a good security relationship going back many years. They work with us very closely in counter-narcotics work. They have supported the remarkable reconstruction process in Cambodia. The Prime Minister courageously hosted the Nobel prize-winning laureates who came to Southeast Asia to protest against the detention and imprisonment of Aung San Suu Kyi. We have a good relationship and I admire very much the work he has done to bring democracy and human rights back to Thailand."

It was Mr Clinton who first raised the question of the tariff exemptions under the US Generalised System of Preferences, according to Mr Chuan and Government spokesman Aphisit Wetchachiwa. Mr Clinton is said to have inquired about labour rights. The US Government is under pressure from American unions to withdraw GSP rights from Thailand because of restrictions on labour rights in Thailand.

Mr Chuan said he explained that the curbs on state enterprise unions were introduced after the February 1991 coup d'etat, and that private sector unions were still free. He told Mr Clinton that the Government was planning to amend the law to allow state enterprise workers to set up unions, and he added that in Thailand state enterprise workers were like civil servants with better conditions such as good pensions.

Mr Chuan said he also told Mr Clinton that some state enterprise workers whose jobs were related to security, such as power and water workers would nevertheless not be granted the right to strike.

On the separate question of Thailand's former listing as a Priority Foreign Country facing the threat of immediate sanctions for intellectual property rights, and the downgrading in August to the lower level Priority Watch list, Mr Chuan said he pointed to changes in Thailand.

Parliament was tightening up the copyright protection law, and the crackdown on copyright piracy would be continued seriously, he told Mr Clinton.

Mr Chuan said he asked the US president to drop Thailand from all categories of countries under threat of punitive trade sanctions under Section 301 of American trade law—both the Priority Foreign Country list, and the less serious Priority Watch list.

Asked afterwards how Mr Clinton responded, Mr Chuan said he felt Mr Clinton was receptive on the GSP case but non-committal on the Section 301 lists.

Mr Clinton is said to have suggested lowering trade barriers in APEC, citing the US trade deficits with all APEC members except Australia.

Mr Chuan said he replied that it was more important to ensure that global liberalisation succeeds through the Uruguay Round of GATT talks so that world trade is based on common "standards". But the Thai premier said he also welcomed cooperation within APEC. He said he urged President Clinton to help encourage Thai and American business organisations to set up a joint committee or council to discuss issues of mutual interest. He said American companies should increase their investments in Thailand and Indochina.

Mr Chuan said he assured Mr Clinton that despite press reports to the contrary, Thailand was abiding by United Nations' decisions. He was apparently referring to accusations that Thailand still supplied the Khmer Rouge.

On Friday Seattle time—15 hours behind Thailand—Mr Chuan is due to meet Australian Prime Minister Paul Keating, Mr Chretien, Arkansas Governor Jim Guy Tucker, Mr Hosokawa and President Jiang Zemin of China.

Chuan Calls for ASEAN Meeting on APEC 'Vision'

*BK2011055193 Bangkok THE NATION in English
20 Nov 93 p A1*

[Text] Prime Minister Chuan Likphai will play a pivotal role in bridging ASEAN's differences over the future of Asia-Pacific Economic Cooperation and keep the group working as a core within the organization. Chuan called for a working summit among ASEAN leaders on Friday to exchange views on their vision for APEC before they come face to face with US President Bill Clinton at the Blake Island conference.

The summit meeting is significant as it will be the only opportunity for ASEAN leaders to narrow their differences.

Within ASEAN, Singapore has fervently supported the idea of turning APEC from a loose consultative forum into a free trade zone, an idea which other ASEAN countries were

uncomfortable with, at least for the time being. In general, ASEAN would like to see further trade liberalization being carried under the GATT rule, which is under negotiations in Geneva.

Chuan will chair the meeting, which will be joined by Indonesian President Suharto, Singaporean Prime Minister Goh Chok Tong, Philippine President Fidel Ramos and Sultan Bolkiah of Brunei. However, Suharto will lead the discussion in the 90-minute meeting, which will focus on three main issues: APEC's future, problems and prospects as well as mechanisms and tools to implement APEC's vision.

A senior Thai official hoped that the meeting would allow ASEAN leaders to know each other's positions and understand their differences. The official said at the Blake Island meeting, Suharto will be allowed to speak first after US President Bill Clinton delivers a brief statement. "Whatever he says about APEC will be important," he said.

Jusuf Wanandi, a member of the Pacific Economic Cooperation Conference, said that ASEAN should act as a bloc to bargain for what it believes in. "If ASEAN cannot get its act together, then it will be difficult," Jusuf said.

An ASEAN delegate said that members of the regional group are not attending the APEC meeting with a common position so each member country will speak for itself. "That is a disadvantage," the delegate said, "because we are used to speaking together."

He said that since APEC is not a negotiating forum, ASEAN is inclined to act as a group. However, he said this attitude can change after the ratification of North American Free Trade Agreement in Congress on Thursday night. "ASEAN cannot stand still and must act together," he said.

Chuan Meets With Keating, Suharto, Hosokawa

*BK2011095793 Bangkok Radio Thailand Network in
Thai 0530 GMT 20 Nov 93*

[Text] The meeting of leaders of APEC [Asia-Pacific Economic Cooperation] member countries officially opened in Seattle today. The following is a report from the Thai Information Office in Washington, which arrived here before noon today:

Today, Prime Minister Chuan Likphai first held a consultative meeting with Australian Prime Minister Paul Keating at the Four Seasons Olympic Hotel. Later, the prime minister paid a courtesy call on Indonesian President Suharto. At 1530, Chuan Likphai held consultative talks with Japanese Prime Minister Morihiro Hosokawa.

Speaking to reporters about the prime minister's meetings with foreign leaders, Aphisit Wetchachiwa, spokesman for the Prime Minister's Office, said that the Thai and Australian prime ministers expressed their satisfaction with the smooth cooperation in all areas between the two countries. In particular, the Thai prime minister informed his Australian counterpart that construction will be completed and the Thai-Lao Friendship Bridge will open to traffic on 8 April. The Australian leader will be invited to

attend the inauguration ceremony. The two sides agreed they wanted to see a quick completion of the Uruguay round of trade talks. Touching on NAFTA [North American Free Trade Agreement], the Australian side expressed its concern that NAFTA's formation might cause the American continent to curtail trade cooperation with others. Meanwhile, the Thai prime minister said he was firmly confident that the potential of the APEC members will lead the United States and other countries to attach importance to this region.

[Begin Aphisit recording] Japan's stand is in line with that of Thailand and the other ASEAN member countries; that is, action must be taken gradually, because members still have some differences. Meanwhile, APEC should be a consultative body rather than engaging in development activities. [end recording]

Deputy Prime Minister Views APEC Outcome

BK2111100793 Bangkok Radio Thailand Network in Thai 0530 GMT 21 Nov 93

[Text] Somphonchit Phonrasoet, correspondent of the Public Relations Department covering the APEC meeting in Seattle in the United States, reported that Thailand stands to benefit in many ways from the current APEC meeting. He said Deputy Prime Minister Suphachai Phantichaphak disclosed to reporters that the meeting, besides serving as a forum to discuss cooperation to push ahead the GATT multilateral trade talks toward a conclusion in the middle of next month, also offered an opportunity for Thailand's leaders to exchange their views with leaders of several countries, including the United States.

[Begin recording] [Suphachai] Another gain for us, I think, is that it gave our prime minister a chance to meet with the U.S. leader as well as leaders from other countries, such as Japan, Canada, China, and [word indistinct]. What is beneficial for us is the fact that we have held discussions within the framework of APEC on how to direct our future cooperation. Also on bilateral issues, we have been able to follow up what had been discussed with those countries. This is very useful. In particular, the meeting we had with President Clinton will, I believe, contribute to an improvement in the future economic relations between Thailand and the United States.

[Unidentified reporter] [Question indistinct]

[Suphachai] Based on what I have observed from the talks which covered subjects useful to us, I believe the U.S. leaders will have a better understanding of the action we have taken.

[Reporter] Is there any problem with Malaysia?

[Suphachai] No. There was a similar question asked during the Blake Island meeting—whether the absence of Prime Minister Mahathir posed a problem. To this, President Bill

Clinton said it posed no problem at all owing to the fact that we all wanted to meet him, and he himself also wanted to meet us at the earliest possible time. [end recording]

The deputy prime minister also talked about Thailand's future economic policy and the preparations made by the Thai prime minister to cope with global changes in trade relations. He said Thailand will adopt a policy of freer trade liberalization.

[Begin recording] [Suphachai] In his speeches the prime minister emphasized both economic and social issues. Some people suggested to him that there needs to be political stability. There are people who are worried the government might not last very long. Another matter discussed by them is how we should push the concept ahead. On this, President Clinton proposed that there should be a discussion on a change of the forum. This was discussed in a broad sense. Many people offered their opinions. And one of the proposals is to hold a similar meeting once again. There is also a proposal to hold more frequent meetings of economic officials. We spent a great deal of time on economic matters, but did not prepare enough economic officials for this session. Therefore, there was a proposal to hold more meetings of trade and finance ministers.

[Reporter] [Question indistinct]

[Suphachai] Prime Minister Chuan spoke many times about this. It was he who stressed that APEC must adopt a common spirit, as a community. He explained that there is no need to create a new organization with a new set of rules because we are able to meet for talks like this. He said that we should not set our goal at trade liberalization. Trade is just a mechanism for all to achieve a similar goal—that is, an economic end, the quality of life. That means security and stability of livelihood and prosperity for the younger generations. This is what he said, and he elaborated on the present Thai policy—that we have realized that one day we must adopt trade liberalization as a policy, and therefore we have been preparing for it. We started with the work under the AFTA [ASEAN Free Trade Area] scheme, and by trying to open up our country. We are also trying to expand education and social development in our country. He said we have been preparing ourselves because we are aware of this. Some people said the lack of people's understanding posed an obstacle to trade liberalization; they are afraid that, once we adopt the free trade system, we will lose jobs. So they are speaking about the same thing—Australia, America included; they stressed the importance of long-term education for the labor sector—how to try to put those drawn out from the labor sector back to their place. We must be prepared for the future. That's why everyone is talking about job creation [two preceding words in English] as very important. Now every country is adopting the same principal policy on job creation. They all agree that, with security in employment, there will be no problem about opening up markets. [end recording]

Foreign Minister Addresses 19 Nov Meeting

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[Text] Squadron Leader Prasong Sunsiri, foreign affairs minister and chairman of the ASEAN standing committee, addressed the Asia and Pacific Economic Cooperation [APEC] ministerial meeting in Seattle, the United States, yesterday.

The Thai foreign minister said that Thailand maintains close ties with APEC, and the combined total product of APEC member countries exceeds half of the overall global product and shares a major portion of the world trade volume. Because of this, APEC is therefore a suitable consultative forum for APEC member countries in exchanging views and opinions as well as consulting with each other to find ways and means to promote liberalization of trade and investment. APEC should not be a forum for bargaining trade regulations or a sort of small-size GATT, he said.

Further, Sq. Ldr. Prasong discussed guidelines for APEC in the future, saying that its first and immediate task is to push for success in the Uruguay Round of GATT talks in December as was previously targeted. The next priorities for APEC tasks are encouraging technical cooperation, providing better trading facilities, accelerating development of human resources, improving public utilities for trade in the region, and promoting the roles of small-size and medium-size business institutions. All these are aimed at formulating a basis for future activities of APEC member countries in order to advance toward the goals of categorizing production based on expertise and opening free trade.

Commerce Minister Views U.S. Trade Ties

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[Text] Speaking to reporters about his talks with the U.S. trade representative, Commerce Minister Uthai Phimchachon said:

[Begin Uthai recording] The U.S. recognition of the APEC [Asia-Pacific Economic Cooperation] member countries is tantamount to opening an easier avenue for trade with the United States. In other words, they will try to eliminate any obstacles to trade between APEC members and the United States and build closer cooperation. We even discussed setting up a committee to study obstacles that hinder trade between the United States and ASEAN member countries. [end recording]

PRC**PRC Reportage on Seattle APEC Conference**

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For PRC reportage on the Asia-Pacific Economic Cooperation (APEC) forum in Seattle, Washington, lasting from 18-20 September, including reports on meetings among leaders in attendance such as President Clinton's meeting with Chinese President Jiang Zemin and with Japanese Prime Minister Hosokawa, and Jiang's meeting with Hosokawa, with Australian Prime Minister Paul Keating, with New Zealand Prime Minister James Bolger, with Thai Prime Minister Chuan Likphai, with Singapore Prime Minister Goh Chok Tong, with Philippine President Fidel Ramos, and with ROK President Kim Yong-sam, please see the General section of the 17 November China DAILY REPORT and subsequent issues.

